

REGIONAL RESOURCE STEWARDSHIP COUNCIL

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VOLUME II OF II

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1

P R O C E E D I N G S

2

MR. BRUCE SHUPP: Good morning. We

3

have a pretty straightforward agenda this morning.

4

We're going to begin with the TVA recreation

5

presentation, and then I should point out that

6

probably in the middle of that, because of the date

7

we're at, September 11th, TVA is taking a moment at

8

8:46 a.m. to honor the losses of 9/11, and we'll be

9

doing that also. So by my watch it's 8:05 and at

10

8:46 we will take the break and a moment of silence.

11

If anybody is here from the public

12

that wants to speak at our 9:20 scheduled public

13

comment session, please register out front. That's

14

how we manage the time for the presenters. There's

15

little cards out front. So I would ask you to

16

register, please. I guess that's it.

17

What did I miss? Nothing.

18

All right. We're going to begin with

19

the presentations on TVA's recreation program by

20

Ralph Jordan who is TVA's recreation specialist.

21

Ralph.

22

MR. RALPH JORDAN: Well, thank you,

23 Bruce. First of all, let me just say that I am one
24 of a number of TVA recreation specialists and
25 probably -- to just let you know that we have got 246
1 Charlie Ellenburg and George Humphrey and Richard
2 Phleuger here from resource stewardship who, I guess
3 along with my expertise, is about 120 years
4 cumulative expertise in recreation issues associated
5 with the region.

6 Then from our facilities management
7 group here, we have got Jim Morris and Jim Watson and
8 Diane Mitchell who can talk about kind of the
9 operations and maintenance side of recreation and
10 TVA's experiences there. So I think as we get into
11 questions and answers, I am going to reach out to
12 some of these other experts and draw them into the
13 conversation if that's okay.

14 You know my background of being a
15 conservation biologist. I came to TVA back in the
16 early '70s. In fact, the day I was hired I was
17 carried up and introduced to Mr. Wagner, who was then
18 the Chairman of TVA, and I was in an Army fatigue
19 jacket and blue jeans, I had just come from medical,
20 and I was introduced to Red Wagner as the person who
21 was going to make sure we never had another snail

22 darter controversy. And I guess -- you know, I
23 didn't know Mr. Wagner. I was impressed with him.
24 And Bob Martis, who was the general counsel at that
25 time, and also Lynn Seeber I met, and I don't know
1 how many people have to do that their first day, but ²⁴⁷
2 it was an experience.

3 And I guess people like Barry Walton
4 and myself were successful because once we got
5 Tellico behind us we have not had another snail
6 darter. So anyway maybe that success there led me
7 into recreation.

8 I was talking to my 91-year-old mother
9 last night, and what she makes up for her frailty
10 she's got a lot of common sense, and she said, tell
11 me how you got from salamanders to sailboats. So I
12 won't take you there this morning, but it's been an
13 interesting experience.

14 TVA's had a long history with
15 recreation even though recreation was not originally
16 envisioned too strongly as a part of TVA's role. So
17 what we want to do this morning is kind of talk you
18 through the evolution of TVA's role in recreation,
19 really from the earliest days and the inception of
20 TVA in the early 1930's until the present.

21 We want to then spend some time
22 talking to you about what our current role is, at
23 least as we see it. And then we want to talk to you
24 about the other providers, that's one of the things
25 that we want to really focus in on. I think you
1 heard from a lot of those providers yesterday. We 248
2 want to try to address for you how we see them
3 fitting into the mix, how historically they fitted
4 into the mix of recreation providers.

5 And then we want to spend some time
6 talking to you about what we see as the challenges.
7 Of course, a lot of the challenges were pointed out
8 to you yesterday, dwindling resources, eroding or
9 degraded infrastructure, increasing population, all
10 of these things are things that collectively TVA and
11 the other providers across the region are going to
12 have to step up and begin to focus on in terms of how
13 we organize ourselves and how we think
14 collaboratively to address those challenges.

15 So let me just dive in here. I am
16 hoping that by the time we take our moment of silence
17 there I will have been largely finished with my
18 presentation. So I am going to try to kind of shoot
19 for that.

20 Of course, TVA began with the
21 enactment of the TVA Act back in 1933. Of course,
22 here's President Roosevelt and Senator Norris signing
23 that legislation, a very broad, sweeping piece of
24 legislation that really talked in generalities. It
25 talked about improving the social well-being. It
1 talked about flood control, navigation, hydroelectric ²⁴⁹
2 power. What it didn't talk about was TVA's role in
3 recreation.

4 In fact, somebody pointed out -- I
5 think George Humphrey pointed out to me, I had said
6 the word recreation didn't appear in the Act, that
7 is, in fact, incorrect. I think it appears in there
8 one time, and it's mainly -- it is in reference to
9 how TVA disposes of property, and basically it
10 acknowledges that we have the capability to transfer
11 lease, license or dispose of property for the
12 purposes of recreation. But really, nowhere else in
13 the Act does it specifically talk about TVA's role in
14 recreation.

15 However, from the outset the planners
16 and other visionaries at TVA clearly understood that
17 there were going to be recreation opportunities
18 associated with this system of reservoirs and the

19 public lands that were acquired in association with
20 those reservoirs.

21 And even from that first project, the
22 Cove Creek Dam on Norris, that is now Norris
23 Reservoir, Norris Dam, there was this recognition.
24 TVA planners and others working in concert with the
25 National Park Service and the Civilian Conservation
1 Corps designed into that project a series of 250
2 demonstration parks.

3 Today if you go up to Norris Lake and
4 look around you will notice Norris Dam State Park,
5 Big Ridge State Park, and Cove Lake State Park. All
6 of those parks were designed by TVA in cooperation
7 with those other agencies I mentioned.

8 The construction was done by the
9 Civilian Conservation Corp. And subsequently, those
10 parks were turned over to the State of Tennessee, the
11 Department of Environment and Conservation for
12 management as state parks.

13 Additionally, there was a recognition
14 that boating would be a popular pastime on this
15 reservoir, and there was a demonstration boat dock
16 built at Norris Dam and for many years, the early
17 years, was operated by TVA and then subsequently

17 recreation opportunities.

18 The three state parks on Norris,
19 subsequently the construction villages at places like
20 Wilson Dam, if you have been to -- I'm sorry, Wheeler
21 Dam on -- in North Alabama, Pickwick Dam, Paris
22 Landing. In fact, there were six of those
23 construction villages that are all now managed as
24 state parks or concessioned recreation areas.

25 So there was this recognition that you
1 could take those things that had been built to 252
2 support the construction effort and make those
3 available, then subsequently for use in developing
4 recreation opportunities.

5 But realistically the -- really, the
6 important thing here is that there was this power to
7 transfer and convey these lands and facilities to
8 others for management. That has been a cornerstone
9 of TVA's involvement in recreation really from the
10 outset, this concept of recreation through property
11 administration. By transferring land and land rights
12 to others who were willing to actually develop the
13 opportunities, TVA was in part a major player in the
14 development of those opportunities.

15 Cooperation and technical assistance

16 were also one of the early areas of focus. I think
17 Charlie Ellenburg and I was talking about it
18 yesterday, and Charlie Tate was here from the
19 Department of Conservation of Tennessee, TVA planners
20 and recreation specialists in the early days there in
21 the '30s and '40s recognizing that it was going to --
22 that the responsibility of actually developing a lot
23 of these capabilities were going to fall on the
24 states and states, which at that time had no
25 departments of conservation, TVA actually took upon
1 itself the role of working within those state 253
2 governments, drafting legislation to create state
3 departments and conservation so that there would then
4 be that vehicle available in state government to
5 assume the responsibility for putting some of
6 these -- some of these projects lands into good use.

7 And so behind the scenes there TVA
8 played a very heavy role in stimulating that
9 evolution of capability within these state agency
10 partners that led to that growth in recreation
11 opportunities through the late '30s and '40s.

12 In 1949 the TVA Board adopted
13 something at that time we called TVA Code 12
14 recreation. We had these administrative releases or

15 general policy type guidance to -- for TVA that the
16 Board adopted right on up, I guess, until the late
17 '80s maybe, Barry, you can -- somewhere along in
18 there, and one of those codes was Code 12 recreation.

19 What it really did was it in 1949 kind
20 of nailed down some of that evolution that had
21 occurred since 1933 in terms of the way TVA was doing
22 business. It spoke very broadly about TVA,
23 recognized the importance of recreation opportunities
24 as a part of the social well-being of the population.
25 It recognized the role of its lakes and land to play
1 in that. It recognized that we had this broad ²⁵⁴
2 authority and these powers of working with others to
3 make these opportunities real, and it kind of
4 codified all of that such that it provided this
5 anchoring or guidance there in the late '40s about,
6 this is going to be our role. And that policy
7 remained unchanged until the late 1970's, and I will
8 talk about that in just a minute.

9 The '50s and '60s, I guess if you had
10 to characterize it in any way, you would say it was a
11 period of tremendous growth and demand for recreation
12 opportunities. This was the post second World War
13 era early on, a lot of new prosperity, a lot of

14 people leaving the farms after the second World War
15 moving into urban centers, a lot more wealth, a lot
16 more leisure time, and there was just this
17 overwhelming growth and need for these opportunities.

18 And to be quite honest, TVA, nor the
19 states, nor anyone else involved was really ready for
20 that, but people were going to go to the lake and
21 they were going to use these reservoirs whether or
22 not the facilities were there. So really the '50s
23 and '60s was kind of a period of early on not
24 recognizing what was happening and then very quickly
25 in the mid '50s beginning to try to respond to that.

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1 What happened was it was -- at that
2 time we were organized into four property management
3 districts, those districts trying to respond to what
4 they were seeing on the ground, the tremendous
5 increase in recreational use in kind of an informal
6 way and some of the problems that were associated
7 with that, whether they be sanitation, whether they
8 be just the impact of that use on the landscape
9 itself.

10 Those four districts tried to respond
11 to that. They built campgrounds and they built
12 picnic areas and day-use areas and swimming beaches

13 and boat launches, but there was no coordination of
14 those efforts. And the TVA management at the time
15 recognized there needed to be some coordination.

16 So in 1967 we all saw the
17 identification of the recreation resources program,
18 and it was the first real recognition that we needed
19 to kind of get organized. If we were going to build
20 boat ramps and day-use areas on Gunter'sville, they
21 needed to look like the same kind of facilities we
22 built on Kentucky Lake. There needed to be some
23 organized approach to this, some way of setting
24 priorities, some way of ensuring design consistency
25 and standardization.

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1 We also began the publication in the
2 early '60s of what we call the recreation maps for
3 individual reservoirs, the reservoir recreation maps.
4 These were developed for most all of the mainstream
5 reservoirs and for most of the larger tributaries or
6 at least those tributaries where there was
7 significant amounts of recreational use.

8 We also saw in the '60s the emergence
9 of recreation as the primary justification for
10 reservoir projects. Tims Ford, 56 percent of the
11 anticipated benefits were because of recreation.

12 Recreation was thereafter considered a principal
13 component of the justification for several other
14 reservoir projects, Tellico, Melton Hill.

15 And it was really, you know, kind of a
16 renaissance thinking, well, you know, there's going
17 to be economic benefits here associated with these
18 projects and part of that is going to be realized
19 through the recreational use and development that
20 takes place on those lakes.

21 The '70s was, I think, kind of a
22 break-out decade. We had the recreation program
23 formed in the late 1960s. Very quickly that program
24 was gaining momentum, building staff capability.
25 They were beginning that process of working through
1 the old property management districts to try to 257
2 design and construct facilities out there on the
3 ground. There was a lot of things in the wake of the
4 clean air legislation, the clean water legislation,
5 Earth Day that really kind of galvanized people's
6 interest in and awareness of outdoor recreation
7 opportunities.

8 So through the early '70s there were a
9 series of things that took place at TVA that I think
10 really kind of brought recreation into focus. Early

11 in the 1970's the Board adopted a policy addition or
12 a code addition there, the Code 12, that dealt with
13 the identification and protection of areas of natural
14 scenic cultural significance on TVA lands, and this
15 kind of laid the groundwork for some -- say for the
16 identification of natural areas.

17 TVA at that time identified 18, what
18 we, call small wild areas or little pocket wilderness
19 areas that were scattered around the Valley. That
20 number has grown significantly since the early
21 1970's, but that recognition in the early part of
22 that decade by the TVA Board, I think, played a very
23 important role in kind of giving that whole area some
24 importance.

25 Another thing that had happened just 258
1 before I came here in the early 1970's was a
2 Memorandum of Understanding that was signed with the
3 State of Tennessee, precipitated in large measure by
4 the interest of some people down in the southern part
5 of the Cumberland Plateau and by Mr. Wagner that led
6 to the formation of what we call the South Cumberland
7 Recreation Area, and kind of the anchor point of the
8 South Cumberland Recreation Area was Savage Gulf
9 State Wilderness.

10 TVA contributed about a million
11 dollars to the purchase of 200,000 acres of land on
12 the Southern Cumberland Plateau that was to be the --
13 kind of the, I guess, anchor point for the South
14 Cumberland Recreation Area. That South Cumberland
15 Rec Area exists today.

16 Of course, Savage Gulf is one of the
17 largest areas of remaining old growth forest in the
18 Southern Appalachians outside the Great Smoky
19 Mountain National Park. So there was this outreach,
20 if you will, that beginning to occur with TVA
21 collaborating with state and local government to
22 provide recreation opportunities away from the
23 reservoir.

24 Also in the '70s marked the first time
25 that TVA began a systematic approach to collecting
1 recreation data. George Humphrey over here was 259
2 actually hired and brought into the recreation
3 program to work with others in gathering recreation
4 data that would allow us to assess recreational use
5 and to understand better what recreational
6 stakeholders' needs and values were associated with
7 the reservoir systems.

8 That data collection effort was kind

9 of short lived because -- in 1978 because of
10 escalating budget pressures. It was one of the
11 things that TVA decided to give up, and that -- I
12 will talk about it more in a little bit, but that has
13 been a problem for us since then. We have not had
14 accurate, up-to-date information about the nature of
15 visitation on the reservoir systems, the kind of
16 recreational use that's occurring out there, what
17 these stakeholders need and value about the lands and
18 the reservoirs, and it's been a problem.

19 In the late 1970's the TVA Board
20 approved some major revisions to Code 12 Recreation.
21 Remember, I said it hadn't been addressed. There had
22 been no changes proposed to Code 12 since it was
23 passed by the Board initially in 1949.

24 And in December of 1978 the Board
25 acted on staff recommendations to make some changes
1 in the code, and one of the major changes that took 260
2 place was that the code revisions basically directed
3 TVA's staff to work with stakeholders, engage your
4 stakeholders and gain their input and insight into
5 how you manage this recreational resource.

6 This was particularly true when I was
7 working in the recreation program in those days. We

8 were beginning that process of trying to address what
9 we call some areas of intense, informal use, and
10 these areas were resulting in conflicts between user
11 groups. Of course, there was the usual array of
12 problems of overuse and abuse of the resource, but we
13 set up a series of public meetings to gather input
14 from the local people and the people who used these
15 areas before we went out and formalized those areas
16 by actually building formal facilities.

17 One of the more contentious issues was
18 we were going to begin the process of collecting
19 fees. The 1949 version of the code specifically
20 addressed the issue of collection of fees and other
21 licenses and prohibited that. It said that the lands
22 were acquired for public use and that it did not
23 authorize the collection of fees in support of that.
24 In the 1978 revision of the code it authorized the
25 collection of fees for campground use, and that was
1 one of the more contentious issues because people had²⁶¹
2 been using an area like Loyston Point up on Norris
3 Lake, at that time it was known as Point 19, people
4 had been camping there for years.

5 And, of course, the area was showing
6 the effects of that because there was no constraints

7 on where they camped. There was no constraints on --
8 you know, they'd just come in for the weekend, cut
9 down the trees and build a fire. And after a few
10 years of that and leaving the trash behind when they
11 left on Sunday evening, you can imagine what Loyston
12 looked like.

13 And historically the pattern has been
14 that people come there to recreate and then the next
15 wave is the people who come there to prey on the
16 people who were recreating. So we were having some
17 of those problems.

18 But I remember convening a public
19 meeting there in Anderson County to talk about that.
20 We had one group of people who were very supportive
21 of it. We had another group of people who had used
22 the area informally for many years without any fees
23 or without any constraints who enjoyed the fact that
24 they could just drive out there and if they wanted to
25 park someplace else they would build another road.

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1 Seeing those two groups of
2 stakeholders butt heads over the future of that area
3 was very informative to me. First of all, I had not
4 seen TVA involved in something as contentious as that
5 really outside of the snail darter issue in Tellico

6 Reservoir, but seeing these two groups of
7 stakeholders kind of confirmed in my mind that, you
8 know, there's a very important role for stakeholders
9 in making these decisions about the future of these
10 areas.

11 So that was a very important part of
12 the changes that the Board authorized in the code in
13 1978. It very definitely emphasized reducing these
14 user conflicts. It allowed us to establish resident
15 managers in the campgrounds because we felt like that
16 kind of presence was necessary on the ground to
17 ensure security but at the same time also provide for
18 the collection of these fees that we were going to be
19 charging for these upgraded facilities.

20 Then also in the '78 code revision it
21 emphasized the importance of seeking cooperators in
22 the management of these upgraded facilities. It
23 actually encouraged staff to go out and look for
24 counties, local governments and state governments who
25 could enter into the project to provide for the
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1 long-term maintenance of those projects, to help with
2 the operation of those projects. So it wasn't lost
3 on the Board at that time that these areas were going
4 to be expensive to operate and maintain and we needed

5 help, we needed help and we needed local presence.
6 So that was addressed in the 1978 code revisions as
7 well.

8 In the '80s and '90s the recreation
9 program was trying to focus its efforts, and I think
10 what really drove this was the -- this was kind of
11 the point at which we began to really see that the
12 budget pipeline was beginning to dry up.

13 Some of the early years of the Carter
14 Administration and their zero base budgeting
15 approach, and then with the tremendous runaway
16 inflation and the Reagan Administration and what we
17 began to see was it was harder and harder to get
18 appropriated dollars.

19 Responding to that the recreation
20 program was asked to develop a ten-year plan, and
21 that plan was developed in the early '80s and it
22 pretty much tiered off of the 1978 code revisions and
23 it pretty much addressed the need for recreation and
24 spoke to how TVA was going to organize to do this.

25 There were these three broad focus
1 areas in the recreation program, reservoir
2 recreation, community recreation, and the streams,
3 trails, and natural areas recreation or the dispersed

4 component. We organized the recreation program into
5 those three functional areas. The reservoir
6 recreation program or program element, as the name
7 would suggest, was very focused on the reservoir
8 side, the boat ramps, the construction of campgrounds
9 and day-use areas and how we manage recreation on the
10 dam reservation.

11 Community recreation was an outreach
12 component largely designed to provide technical
13 assistance to the communities and local governments
14 as they tried to bring their recreation opportunities
15 up to standard, many, many activities there in
16 support of local governments.

17 We had some support elements within
18 the recreation program. We had a site design
19 section. We had the use analysis group that George
20 was a part of it that was using that old data but
21 still trying to help people do some long-range
22 planning to provide recreation opportunities, but I
23 think the real trademark of the '80s and the early
24 '90s was these declining budgets.

25 It just became harder and harder to
1 operate and maintain these recreation facilities that 265
2 had been built starting in the late 1960's, and right

3 on up through the '70s and '80s it became harder and
4 harder to continue to operate these and maintain them
5 to the standards that people accepted and the
6 standards that we were held to by various codes.

7 So more and more as we approached the
8 late '80s and the early '90s we were being forced to
9 look at how best to manage this, who can we bring
10 into the mix to help with the management. And
11 really, as an outgrowth of that effort we had in the
12 early '90s, I think, 14 campgrounds were transferred
13 to other agencies for management. However, TVA still
14 retained 11 campgrounds, and we still operate those
15 today.

16 Kind of shifting to what our current
17 role is. Obviously, the major drivers are there's
18 this tremendous demand, we talked about this
19 yesterday, I think Ken Cordell touched on the
20 relationship between this growth and demand and
21 population. We see that as a continuing demand.

22 Population growth is going to not slow
23 down and there's going to be increased demands and
24 pressures on the reservoir system, particularly for
25 recreation, but also for water supply for -- you

1 know, all of these people are going to live here, and

2 there's some pretty scary statistics there presented
3 yesterday.

4 They are going to need water and they
5 are going to need electricity and they are going to
6 expect to have recreation opportunities, and that's
7 just going to put increased pressure on all of the
8 agencies involved to do a better job of integrating
9 their efforts to try to provide all of these
10 amenities while not destroying the environment in the
11 process. Clearly stakeholder demand and the patterns
12 of use that we see, everything suggests that there's
13 just going to be increased demand on the reservoir
14 system.

15 We have seen it, for instance, on
16 Norris Reservoir over the last 20, 25 years. We get
17 weekend users coming from southern Ohio, that's not
18 unusual at all. They just don't have the
19 availability of the opportunities up there that --
20 you know, the Ohio River itself is not the same as
21 Norris Lake or Lake Cumberland in Kentucky, which is
22 a Corp impoundment. So these people are willing to
23 pull a boat all the way from the Cincinnati area or
24 Columbus, Ohio for a weekend on the reservoir.

25 And what happens, as you expect, I

1 mean, they come down here a few weekends and the next
2 thing you know, well, why don't we get us a weekend
3 house down there. So all of these pressures
4 continue. And we're seeing that from Atlanta and
5 we're seeing it from other population centers, and
6 that's just going to continue to increase.

7 We continue to feel the pressure from
8 providers. As the increased -- the demand for these
9 opportunities increases, so to does others,
10 particularly the private and commercial sector that
11 want to get involved in that provision of recreation
12 opportunities from -- in terms of financial benefits.

13 I mean, every year we entertain many,
14 many land use requests from people who want to build
15 or expand marinas. They want to build and operate
16 resorts. So responding to that demand is this
17 increase in requests from providers for use of TVA
18 shore land.

19 Partnership opportunities are there.
20 We have, I guess, partnered over the years. Really
21 since the earliest days of TVA partnerships have been
22 a very viable approach for us. You have to, I think,
23 approach partnerships always with the idea of, is
24 this really needed.

And one of the things that has limited
our effectiveness, I think, is not having available
in a timely way the best information we can get in
terms of what the needs are. So, you know, it's hard
to look at a partnership opportunity in such a way
that says, well, maybe we don't need this marina,
maybe we don't need this resort, when you really
don't have any data that's there to help you figure
out whether there's that need.

9 Resource availability is a concern.
10 We -- you know, every time you -- you know, every
11 time you build something on a reservoir or operate a
12 recreation area, there are these demands, and
13 certainly the costs associated with these things are
14 not going to go down. We have just not had the
15 resources to actually respond to all of these
16 opportunities, and I think that's going to continue
17 to be a reality.

18 So one of the drivers here has got to
19 be the availability of resources. It's not just the
20 dollars. It's the staff capability. If you will
21 notice these individuals I introduced over here
22 earlier, they are all about the same tenure I am
23 here. So we have got to be concerned, is there going

24 to be an availability of staff and expertise within
25 TVA to actually engage these partners and participate
1 in these cooperators and these other providers to 269
2 make sure that these recreation opportunities are
3 there.

4 And then, of course, as we have said
5 throughout this, we clearly recognize that we're not
6 the only player in this recreation game. Since the
7 inception of TVA there has been the role that these
8 other providers played, and we recognize that they
9 are going to continue to be a very important part of
10 this and we welcome that and we recognize the
11 contributions they make.

12 We are, as we do our land allocation
13 planning, continually trying to identify these
14 recreation needs that are out there, engaging
15 stakeholders as we do those land plans, trying to
16 understand what their long-term future needs are for
17 recreational opportunities, trying to build that into
18 the planning model so that we allocate land
19 sufficient to meet those increased demands over time.
20 Virtually every reservoir land use plan has
21 identified opportunities for not only developed
22 recreation but for informal recreation.

23 Then where we have allocated these
24 lands and when there is sufficient demand, working
25 with others, these partners to try to provide the
1 recreation opportunities that were called for in the 270
2 original planning process.

3 We are moving, I think, pretty quickly
4 and aggressively in the direction of trying to
5 provide information about recreation opportunities on
6 TVA lands over the internet and through the web
7 rather than printing and publishing recreation maps
8 that literally any more are just about out-of-date by
9 the time the ink dries.

10 If you have got information there
11 about commercial providers, the area codes change on
12 a monthly basis. So, you know, what you find out as
13 you publish a map, the next thing you know is you're
14 getting phone calls from people who are upset because
15 the phone numbers don't work.

16 Then there are others who are merging
17 in the private sector that seem to be willing to bite
18 that bullet. Atlanta Mapping down out of Marietta,
19 Georgia produces a very high quality recreation map.
20 They call it a fishing map, but it provides
21 information on recreation opportunities on TVA lakes,

22 largely using a base map that TVA provided.

23 And we're continuing to look at ways
24 that we can cooperate with those who are willing to
25 publish those maps, such that there is a high quality
1 map available without TVA having to foot the bill to²⁷¹
2 publish it, but that's an opportunity.

3 We're really focusing on this
4 web-based opportunity in conjunction with Recreation
5 One Stop, which I think George Tabb mentioned
6 yesterday, which is a federal government initiative
7 to take all of this information about recreation
8 opportunities that exist out there on public lands
9 and on these reservoirs and like the National Forest
10 and have that available for people who want to gain
11 access to that information over the web.

12 Then we see the need and have seen the
13 need to reinitiate data collection so we have
14 available the kinds of information we need to make
15 better decisions. Perhaps nowhere is this better
16 pointed out than through the Reservoir Operations
17 Study.

18 When we did the lake improvement plan
19 in the early '90s we were willing to settle for a
20 further extrapolation of that last year's data that

21 was collected in 1978, and when we talked about that
22 situation with David Nye, the project manager for the
23 Reservoir Operations Study, he just agreed that that
24 won't get it. So we, in a limited way, reinitiated
25 data collection in support of the Reservoir
1 Operations Study focusing on 13 reservoirs. 272

2 Now, remember, the focus there is on
3 lake-based or water-based recreation, and we would
4 like to use that as kind of a jump starting point for
5 getting back into this data collection so that we
6 better understand the recreational use that's
7 occurring on the reservoir system, and then that
8 gives us a leg up on understanding long-term what the
9 needs are going to be for the people of the region.

10 We -- in that regard, we initiated
11 kind of, in addition to the ROS surveys that were
12 done over the last two years, back in January we
13 piloted an effort on Watts Bar Lake to inventory all
14 the recreation opportunities on Watts Bar. And we
15 were fortunate to have a former TVA employee who was
16 willing to contract with us to do this work back
17 through our retiree resources reinvestment kind of
18 program and an intern.

19 They took -- I think they invested 88

20 man hours, a very reasonable amount of time, and came
21 up with a detailed inventory of recreational
22 opportunities on Watts Bar, right down to shooting
23 the GPS coordinates for all the boat ramps and
24 actually going out and meeting with the marina
25 owners.

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1 What we found out is you can call a
2 marina owner on the telephone and he will describe to
3 you kind of a utopian environment where everything is
4 perfect, you know, I've got all of the grandiose
5 plans to expand, you know, everything is great out
6 here and we're covered up with people. When you
7 actually go out and visit the marina, the first thing
8 you notice is there's a "for sale" sign in front of
9 it, and then everything doesn't turn out to be quite
10 like you thought it was.

11 In fact, when we really went and
12 looked at Watts Bar we found out that instead of 13
13 marinas on Watts Bar we have got two that really are
14 functional and we have got 11 who are looking for
15 somebody to buy them, and for whatever reason, are
16 not getting it done.

17 And it really began to open our eyes
18 to the fact that, you know, maybe this could play

19 into a decision about the next time somebody wants a
20 new marina on Watts Bar, maybe we ought to encourage
21 them to look at some of these older ones that aren't
22 getting it done where people have kind of worn
23 themselves out. So we're learning a lot about this,
24 and this reinitiation of the data collection is an
25 important part of that.

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1 We continue to permit land use and
2 provide other permitting activities in support of
3 these commercial providers and other providers.
4 There are 235 or 236 marinas operating on TVA land
5 right now, and we are trying to support them.

6 One of the good examples of that is
7 the technical assistance we're providing our clean
8 marina initiative to help them deal with waste that
9 builds up in houseboats so that it's not -- the tanks
10 just aren't emptied into the lake. We're trying to
11 provide technical assistance, and even in some cases
12 limited financial support, for pump-out facilities
13 and other things. So that's just one of the many
14 areas where we're trying to support the operations of
15 these providers by helping them with the permitting
16 process and providing technical assistance.

17 We continue to be a provider

18 ourselves. We do continue to still operate around
19 117 recreation facilities or areas. This is kind of
20 an interesting number because when we started trying
21 to figure out how many there was, it ranged anywhere
22 from 100 to 165. Then we realized, are counting boat
23 ramps or dam reservations.

24 So I think finally last night I went
25 back through those numbers and agreed it was around
1 115 to 117, but really it's 11 campgrounds with about ²⁷⁵
2 589, 590 campsites. Most of those are on our dam
3 reservations, which are areas that for obvious
4 reasons, security and others, that we still have a
5 very strong vested interest in.

6 We operate 38 day-use areas and
7 swimming beaches. A day-use area can be a day-use
8 area, kind of a stand-alone area, or it can be a dam
9 reservation, but it's an area that people go and
10 spend time, and there are picnic facilities, boat
11 launches, hiking opportunities, 68 boating access
12 areas.

13 And then I mentioned earlier the small
14 wild areas program, we now have about 31 small wild
15 areas. Originally they were envisioned as very small
16 pocket wilderness kind of areas. Now, some of those

17 31 areas are as large as 2,000 acres, Raccoon Gulf
18 down on Guntersville Lake, South Soddy Creek, a small
19 wild area on Guntersville Lake.

20 They're no longer pocket wildernesses.
21 They're pretty good size chunks of, excuse me, public
22 real estate, and they offer these opportunities for
23 dispersed use, hiking, wildlife observation, nature
24 photography, which as the data indicated yesterday
25 from Ken Cordell and some of the other providers, you
1 know, walking being the thing that's in the highest²⁷⁶
2 demand, you know, these hiking opportunities and
3 opportunities to get out and enjoy nature in an
4 unprogrammed way.

5 We're continuing to try to upgrade our
6 highest priority facilities. We have very limited
7 capital dollars. We have very limited operations and
8 maintenance dollars, but we continue to try to set
9 some priorities and focus on the highest priority
10 areas, the areas that get the most use, and try to be
11 as equitable in that as we can. But again, we have
12 to focus -- we have to set priorities like everybody
13 else. And again, we continually are looking at
14 infrastructure that was built in the '50s and '60s,
15 and it's showing the wear.

16 We don't do much of this, but if there
17 is a high enough priority and there is a willing
18 partner, then we will entertain proposals for new
19 facilities. We're building some new facilities this
20 year where we need toilet buildings to provide for
21 sanitary conditions on a place like Norris Dam
22 Reservation that gets hundreds of visitor use days
23 per year and per weekend.

24 There wasn't a toilet building there.
25 Everybody who used Norris Dam Reservation, and I know
1 because I used Norris Dame Reservation a lot, if the²⁷⁷
2 W. G. Lenoir Museum, which the state operates, wasn't
3 open, then you were either going to drive home or you
4 were going to potentially embarrass yourself.

5 So we have stepped up, where we have
6 these high priority use areas, we have tried to
7 provide new facilities, but it's a very limited
8 amount of resources that we have to do that and we
9 apply some criteria very tightly to try to limit
10 that. And then we continued to try to manage the
11 land that we do have available for recreation use. I
12 want to say just a minute about that.

13 Bruce, you give me the high sign.

14 MR. BRUCE SHUPP: We're just about

15 there.

16 MR. RALPH JORDAN: Okay. Do you want
17 to stop?

18 MR. BRUCE SHUPP: Why don't we do
19 that?

20 MR. RALPH JORDAN: Okay.

21 MR. BRUCE SHUPP: For those that just
22 came in, TVA and the nation is taking the time of
23 8 -- the moment of 8:46 to honor the 2,800 Americans
24 lost at 9/11/2001, and I guess you could say it's an
25 event that changed the next generation's lives and
1 this country in a way we never could imagine. So
2 let's rise and give a silence to commemorate 9/11.

3 Thank you.

4 MR. RALPH JORDAN: I talked earlier
5 about the land allocation planning process. I think
6 most of you are aware of how that works. To date we
7 have completed 14 reservoir land use plans. What I
8 wanted to show you here, the zones, as you know, the
9 lands are allocated to one of seven use zones based
10 on their capability and the kinds of uses that are
11 suitable for those lands.

12 To date we have allocated lands --
13 about 293 -- excuse me. There are 293,000 acres of

14 land available for allocation. We have done these 14
15 reservoir plans. There are some additional reservoir
16 plans to be completed. So there's about 17,000 acres
17 yet that's left to be planned and allocated.

18 But if you look at zones 2, 3, 4, and
19 obviously 6 all of those lands are available for
20 public recreation. Zone 6 there, the 27,000 acres,
21 is the lands that TVA experts and engaged
22 stakeholders have decided best to provide
23 opportunities for what we call developed recreation,
24 campgrounds, day-use areas, future resorts, marinas.
25 These are the lands, the 27,000, that would be
1 available for those developments and to support those ²⁷⁹
2 kinds of recreation that go with the developed
3 opportunities.

4 However, the project operation lands,
5 the dam reservations themselves provide a tremendous
6 number of opportunities. In fact, our dam
7 reservations are some of our most visited, quote,
8 recreation areas.

9 Even though this 31,000 acres in zone
10 3 is identified for sensitive resources management,
11 that's endangered species, archeological areas of
12 high visual or scenic significance, we don't preclude

13 recreational use of those lands as long as that use
14 is compatible. If somebody wants to go there and
15 hike and look at wild flowers or enjoy a scenic
16 overlook, that's a compatible use. We would not
17 allow that area to be used for off-road vehicle use,
18 for example.

19 The question came up the other day,
20 and it continually comes up this time of year, are
21 our small wild areas, our natural areas, available
22 for hunting. Well, we have struggled with this for
23 years. We would like to say, well, these things are
24 there to protect nature, we shouldn't allow hunting,
25 but realistically how do you keep that hunter out of
1 those areas. 280

2 And if he's not hunting, I guess, the
3 plants that you're trying to protect or endangered
4 bat cave, then maybe you're better off to just say,
5 well, we don't encourage hunting, but we don't
6 discourage hunting on those areas. Except where we
7 have developed recreation capability, we have not
8 tried to limit and restrict hunting on TVA lands.

9 This is getting to be an increasing
10 problem for us because there are -- there is
11 legislation that protects the right of the public to

12 hunt on public lands, but increasingly, as we have
13 development adjacent to our reservoirs, the hunters
14 are kind of being squeezed out.

15 I can tell you down on Tellico, for
16 instance, we won't go a hunting season that we don't
17 have to go down there and meet with people at Tellico
18 Village to address the issue of, I hear guns go off
19 early in the morning, you know, what can you do about
20 that, or I see people over on the point across the
21 lake hunting, what can you-all do about that.

22 What we have to do is we have to tell
23 them the state has prohibitions on how close you can
24 hunt through developed residential or occupied
25 dwellings, that it's TWRA responsibility, and that
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1 TVA's position is that as long as you're hunting
2 consistent with the applicable state and federal
3 regulations and observing the bag limits and the
4 season links, then TVA is not going to act to
5 prohibit you from hunting because it is a lawful
6 recreational pursuit. So that gives us some
7 problems. It's just one of these user conflicts that
8 we're seeing emerge.

9 The natural resource conservation
10 lands, zone 4 lands, the 181,000 acres, a tremendous

11 amount of opportunity for recreation on those lands.
12 Again, we're willing to accommodate recreation on
13 those lands as long as the recreational use is not
14 resource abuse.

15 And this brings us -- brings into
16 focus this whole issue of off-road vehicles. Our
17 policies have been pretty clear since I have been
18 with TVA; and that is, we allow off-road vehicle use
19 on developed roads unless those roads are clearly
20 marked as closed to such use.

21 We do not want to encourage off-road
22 vehicle use on areas -- on roadless areas because
23 most of our lands are shoreland. Their real purpose
24 is buffering the reservoir system, and in many cases
25 the off-road vehicle use is contrary or contradicts
1 the purposes for which those lands -- the role that
2 those lands play in providing a hydrological buffer.

3 But there's no question about it,
4 off-road vehicle use continues to expand, and it's
5 going to have to be addressed. You know, maybe the
6 private sector can step forward there and acquire
7 lands for people to go out and rip around on on dirt
8 bikes and stuff like that, but I think our lands are
9 going to be -- it's going to be difficult to

10 accommodate those kinds of intensive recreation on
11 our lands. It's resource -- potentially resource
12 abusive.

13 So when you look at the total here,
14 about 85 percent of the planned land that we have
15 planned through the land planning process is open to
16 and available and actually recreation in some cases
17 is encouraged and even developed for.

18 If you take this last category, the
19 residential access, you know, we think in terms there
20 of private residential access like subdivisions and
21 things like that, but really, that access is to
22 provide that -- those private residents with
23 recreational access. So really the majority of these
24 lands really -- with the exception of the industrial
25 and commercial lands are available and open to public
1 recreation. 283

2 So I think what -- one of the project
3 managers or program managers told me years ago, the
4 recreation program manager David Pack said, he said,
5 it's all recreation land, and that's not far from
6 being the case.

7 Of course, we talked about this
8 yesterday, and we had a number of presentations from

9 some of these other providers. I would like to point
10 out these two maps up here in the front, and I will
11 show you a sub set of that in a minute.

12 We clearly understand and recognize
13 and appreciate the role of other providers of
14 recreation opportunities on TVA lakes. Many of the
15 opportunities -- in fact, most of the opportunities
16 that are out there wouldn't be there if these other
17 providers hadn't stepped up over the years, whether
18 it be public sector in the form of other federal
19 agencies, like the U.S. Fish and Wildlife Service,
20 Park Service, Forest Service, clearly the Forest
21 Service, or the state agencies like the state parks,
22 like the Tennessee Wildlife Resources, Alabama Fish &
23 Wildlife with their efforts to improve boating
24 access.

25 We obviously have these quasi public
1 groups that are providing recreation opportunities. 284

2 I mentioned Boy Scouts of America. Many of our
3 reservoirs have lands on them that were transferred
4 with deed restrictions to the Scouts to provide Scout
5 camps, and those Scout camps then engage youth in
6 recreational experiences.

7 We also have church camps, the YMCA,

8 and then obviously the commercial sector has been a
9 major provider, commercial marinas, resorts,
10 campgrounds are all there providing these
11 opportunities that TVA, if we were forced to try to
12 throw out all of these opportunities ourselves, we
13 just couldn't manage that.

14 I mentioned these maps. This is kind
15 of a snapshot of Norris Lake. What we're wanting to
16 show you here is this mix of recreation providers.
17 And I invite you, at the appropriate time, to maybe
18 step up and take a look at these maps, if you haven't
19 already, but, you know, Norris Lake, you know, 25,000
20 acres or so, big chunks of land currently allocated
21 for use for providing recreation opportunities. And
22 most -- to be honest with you, most of those
23 opportunities are provided either by the commercial
24 sector or by cooperating state partners.

25 Big Ridge State Park, I've got my
1 handy pointer here, Big Ridge State Park, Norris Dam 285
2 State Park, Cove Lake State Park were the three
3 parks -- demonstration parks that TVA built, if you
4 remember, I talked about there in the early 1930's.

5 The Norris Municipal Park or the
6 Norris watershed are the lands that surround Clear

7 Creek, which is a municipal water supply for the
8 little town of Norris, which was, of course, the
9 first home of TVA as it built the construction of
10 Norris Dam.

11 There's some 2,000 plus acres in the
12 Norris watershed here that the City of Norris allows
13 compatible forms of recreation. They allow hunting.
14 It's one of the most popular mountain biking areas in
15 East Tennessee, hiking trails, horseback riding.

16 The City of Norris is one of the few
17 municipal governments in the country, I think, that
18 operates a public shooting range, and all of that
19 happens there on this 2,500 acre municipal park. Of
20 course, the TVA dam reservation is shown here in
21 blue.

22 I want to show you these large light
23 gray areas. These were lands that were transferred
24 to the Tennessee Wildlife Agency back in the '30s and
25 '40s. This is Chuck Swan Wildlife Management Area
1 and Cove Lake Wildlife Management Area. Chuck Swan 286
2 was the area where the first white tail deer were
3 reintroduced into the Tennessee Valley back in the
4 mid 1940's with stock taken from Michigan. It's
5 27,000 acres. It's a huge wildlife management area.

6 It's very popular with hunting -- for hunting
7 purposes, but it's also become tremendously popular
8 with mountain biking enthusiasts who use the network
9 of roads that the state has built there to conduct
10 their management program. Cove Lake is another one
11 that's a very prominent area in wild turkey
12 restoration.

13 The darker gray areas are the TVA
14 remained lands. And where those lands have actually
15 been developed, for instance, here at Loyston Point,
16 remember I mentioned Loyston Point, Loyston Point was
17 one of the areas that had historically been abused
18 and then TVA went in and developed the formal
19 campground here in blue. The other blue area up
20 there is Hemlock Bluff Small Wild Area. We have got
21 one of the quasi-public providers here in the form of
22 the Boy Scouts of America, their Camp Tennace Boy
23 Scout camp, Girl Scout here.

24 So the real important thing to take
25 away from this is of the 25,000 acres or so that TVA
1 manages on Norris Lake, most all of that is in some ²⁸⁷
2 way supporting recreation, providing recreation
3 opportunities where they are very developed
4 recreation opportunities like the developed

5 campgrounds and the commercial marinas or their
6 dispersed areas like Chuck Swan and Cove Lake State
7 Park -- I mean wildlife management areas.

8 There's a tremendous diversity of
9 recreation opportunities on Norris Lake, and the role
10 that TVA has played in that is finding the
11 cooperators and the partners to actually develop
12 those opportunities for the public.

13 We have not tried to take on the
14 responsibility of providing all of those
15 opportunities ourselves. We just can't do that, and
16 realistically, that's not our role. So I invite you
17 to take a look at those maps when you get a chance.

18 The challenges for us in the future
19 are going to be obviously the same ones that are
20 faced by other agencies, how do we continue to
21 provide the opportunities that we provide with
22 reduced resources. There's some efficiencies to be
23 gained. We're constantly looking for opportunities
24 to do more with less. We're going to have to
25 continue to do that, but the pressures are there.

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1 We have infrastructure that we're
2 responsible for maintaining and just -- we're going
3 to have to find a way to do it, and if partnerships

4 is the way or if cooperators are the way, then we
5 need to look at every opportunity we can. If
6 volunteers are the way to go, then we're going to
7 have to look to that.

8 Clearly, this increase in population
9 and increase in demand is going to create pressures,
10 pressures between user groups. There are going to be
11 conflicts. We have been very fortunate in this
12 region. We have -- most of our exposure to that has
13 been on a limited case basis, and in some situations,
14 we have been able to step in and make a difference.
15 In others you just kind of have to recognize it's a
16 sign of the times, that it's going to likely
17 increase, ORV problems, problems between hunters and
18 residential homeowners.

19 As the population grows and the
20 demands for recreation opportunities grows, we can
21 expect to see and hear more about that, no question
22 about that, particularly in -- you know, we have
23 already, I think, through the lands planning process
24 for Tims Ford it was suggested that there might be a
25 boating capacity issue on that reservoir. We looked
1 into it and we couldn't really determine that there
2 was, but clearly the Corps of Engineers is dealing

3 with boating capacities issues on some of these
4 reservoirs. I think over time that might be a
5 problem for TVA.

6 Proximity issues, everybody wants
7 better facilities, they want better opportunities,
8 they just don't want them across from their house.
9 So as the lakes have developed, from a residential
10 perspective, you know, they want a nice restaurant
11 that they can ride up to in their boat and everybody
12 pile off and go in and have a nice meal, it just
13 doesn't need to be on the point across from the house
14 there.

15 So we continue to look at those kinds
16 of problems. Everybody now is coming to the table.
17 They all have a vested interest, and that's just
18 going to increase the demand for TVA to become more
19 involved in those issues to help resolve them.

20 I think the challenge for TVA --
21 another challenge is trying to ensure that there is
22 this diverse mix of opportunities. We have got some
23 people that want to powerboat. We have got some
24 people that want to kayak. We have got some people
25 that want to hike. We have got some people that want
1 to mountain bike. We obviously have people who want

2 to ride four-wheelers. We have got people who want
3 to horseback ride. We have got people who want to
4 hunt.

5 The challenge is going to be to
6 continue to provide this diversity of opportunity at
7 an affordable price and of sufficient quality that it
8 meets everybody's needs, and to me that just kind of
9 ratches up the need for expertise and resources to be
10 able to do the planning and the integration necessary
11 to make sure that those opportunities are there and
12 that they are there in sufficient quality and that
13 you have dealt with some of these issues like
14 proximity. You need to have the opportunities there,
15 but you don't need to have them overbuilt and
16 improperly managed.

17 Then trying to manage the impacts of
18 dispersed use. I think Mike Crowson who was here
19 yesterday, our team manager from our Melton Hill team
20 and I were talking about this, increasingly we have
21 people who don't want to be programmed into
22 campgrounds. They don't want to have to recreate
23 where everybody else camps or boats.

24 And I was telling Mike that this year
25 in responding to our TVA information line requests,

1 I've dealt with more requests this year for
2 information from people who want to know about
3 informal camping opportunities than ever before. And
4 I don't quite understand it, but we're just finding
5 that the RV camping that has been the evolution in
6 camping, you know, people don't want to just go out
7 and pitch a tent anymore.

8 The first thing that we saw, they had
9 these RV's and they wanted electricity and water.
10 Now they are wanting internet and cable and all of
11 this other stuff. They are wanting to stay longer,
12 you know, maybe like the whole summer. So there's --
13 but there is a group that's wanting to go back to,
14 you know, I am going to take what I can carry in my
15 kayak or on my jet ski and I want to go up to Norris
16 someplace and I want to know how long I can stay at
17 these places, you know, are there any places that I
18 can't go.

19 What you have got to first explain to
20 them is that we don't own every inch of the
21 shoreline. So they may run into problems if they
22 just pick this nice grass lawn there in front of this
23 house, and at the same time they create impacts when
24 they use these areas. And if they stay any length of

25 time, they have a tendency to manipulate vegetation.
1 It might be on an archeological site. It might be
2 the very rare plant that you were trying to protect
3 that area for. So trying to manage this dispersed
4 use is going to continue to be an issue with us.

5 It's not too difficult over time to
6 tell the places that they are using. You know, I
7 think Richard Phleuger can write you a dissertation
8 on this because over time they bring in sofas and
9 carpet and stuff and they leave it there for the next
10 person, but if that area is actually overlaying one
11 of the most significant archeological areas on the
12 Tennessee River system, then you have got a problem
13 because you have got to encourage those people to
14 move to other areas. There are more people that care
15 about that place to camp than there is about the
16 archeological site. So it puts TVA in a difficult
17 position at times trying to broker the various
18 competing interests.

19 What we need your help on, I think
20 this has been pretty well explained. We would like
21 your input on what are these national trends and how
22 should TVA look at these national trends in trying to
23 set our future direction and how should we consider

24 those national trends in our planning and
25 decision-making related to our management of these
1 land resources? 293

2 What should be the most critical
3 elements of our recreation strategy? We kind of went
4 through this evolution in TVA that I mentioned
5 from -- it was not mentioned in the Act. There was
6 some vision here that led to the construction of
7 those demonstration parks to that outreach that
8 occurred in the '30s and '40s where we looked for
9 partners. If there weren't partners we actually
10 tried to write the legislation that would create
11 partners.

12 Then that led to that period, post
13 second World War where that tremendous increase in
14 demand for those opportunities and the facilities
15 just weren't there and TVA kind of got drug backwards
16 into actually constructing and operating and
17 maintaining those facilities.

18 The budget started to dry up in the
19 late '70s and '80s to the point that we had to make
20 hard decisions about which ones we were going to try
21 to keep and operate and which ones we were going to
22 try to work with partners to maintain.

22 Questions.

23 MS. JACKIE SHELTON: I was wondering,
24 when you discussed you have about 119 facilities that
25 TVA sponsors or finances, how do you get the
1 financial aid to do that? 295

2 MR. RALPH JORDAN: Well, we've got 117
3 by my 11:30 last-night count, but that money comes
4 from the ratepayers right now. I mean, it used to be
5 those funds came through the appropriated budget, but
6 when that went away in the late '90s TVA has made the
7 resources available to continue to manage those
8 things.

9 These were things that for various
10 reasons we have decided either we are not in a
11 position to transfer to others for operations and
12 maintenance, like some of the campgrounds on the dam
13 reservations, and there was a point that TVA
14 management said enough of this, we're not going to
15 transfer any more of these campgrounds.

16 Some of the boat ramps and things are
17 facilities where TVA clearly has a strong vested
18 interest in continuing to operate and maintain those
19 facilities. So I assume that despite the fact we're
20 trying to do more with less, that those 117 areas are

21 areas that, you know, we're in the long -- we're
22 still in the game, at least for the foreseeable
23 future to provide the operations and maintenance of
24 those.

25 Does that mean we're not looking for
1 partnership opportunities? No. 296

2 Can we use volunteers? Certainly.

3 I think the people over here in
4 facilities will tell you their budget is not
5 increasing and every year the cost of operating and
6 maintaining those areas escalates.

7 MS. JACKIE SHELTON: Are you
8 prohibited in receiving any fees for those areas?

9 MR. RALPH JORDAN: We have restricted
10 our fee collection to what they call user fees, I
11 think that was described yesterday, as opposed to
12 access fees, but I will not stand up here and tell
13 you that over the years as budgets diminish that we
14 haven't toyed with the idea of access fees.

15 Bridgette is looking at me like, don't
16 go there, Ralph, so we're not going to go there. And
17 I don't want to lead you to believe that we in any
18 way have considered access fees seriously, but we do
19 charge user fees for deliberate services like

20 campgrounds, but that's the only place.

21 MS. JACKIE SHELTON: Do those user
22 fees go back into maintenance or how are they used or
23 is there enough to even do anything with?

24 MR. RALPH JORDAN: The user fees go
25 back into the TVA general fund, I assume, and then we
1 are -- the monies that it takes to operate and 297
2 maintain those areas are given out through the budget
3 process.

4 There's not this internal cycle where
5 every dollar that's created through recreation
6 recycles back into recreational operations and
7 maintenance or every dollar that's generated through
8 forest management or through any other activities or
9 land sales. It all goes back into TVA's budget pot
10 and then gets distributed through the performance
11 planning or budgeting process.

12 MS. JACKIE SHELTON: Thank you.

13 MR. BILL FORSYTH: What is your
14 recreation budget?

15 MR. RALPH JORDAN: Our recreation
16 budget, probably in the last couple of years, has
17 been around 6 and 1/2 million to \$7 million, and I
18 would say about 90 percent of that, 80 percent of it

19 is for operations and maintenance.

20 Is that pretty accurate?

21 MS. BRIDGETTE ELLIS: Then about half
22 a million in revenues.

23 MR. RALPH JORDAN: Half a million in
24 revenue, half a million dollars generated through the
25 operations of those 11 campgrounds.

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1 MR. GREER TIDWELL: Just kind of
2 direct revenue user fees, right, not offshoot
3 revenues of increased business and demand?

4 MS. BRIDGETTE ELLIS: That's just the
5 fees.

6 MR. BRUCE SHUPP: Any other questions
7 for Ralph?

8 Greer.

9 MR. GREER TIDWELL: Ralph, you were
10 talking about kind of being without a plan right now.
11 I know you don't go for a full year without some sort
12 of objectives for the next year.

13 What's the current planning process
14 such that it is, and then, what do you think we ought
15 to do about developing a longer term planning
16 process?

17 MR. RALPH JORDAN: Well, I tell you,

18 the current planning process is we rely on those
19 watershed teams, and hopefully the watershed teams
20 are out there identifying partnership opportunities
21 or the need for new or enhanced recreation
22 facilities, and then we deal with that as they submit
23 their annual budget requests.

24 We're trying to get a leg up on the
25 planning process. We have been going through this
1 deliberate approach of identifying needed recreation ²⁹⁹
2 lands through our land allocation plan. This year,
3 this budget year that starts here in a couple of
4 weeks, we will do the first of -- well, we will pilot
5 a new process that we have developed called the
6 integrated resources management planning process.

7 It's going to integrate management
8 planning across resource disciplines for the first
9 time at TVA where we don't just look at wildlife
10 management and forest management and management of
11 endangered species, we also integrate that with our
12 recreation management, our cultural resources
13 management so that on a reservoir basis we hope to
14 come out of this with an integrated resources
15 management plan.

16 This first pilot is going to be on

17 Norris reservoir. It will address not only natural
18 resources management needs, but also recreation
19 needs, the needs for cultural resources. And
20 hopefully, out of that planning process for that
21 reservoir, we will then have a very clear road map
22 out 15 or 20 years on the management needs for not
23 only natural resources but recreation resources.
24 What are the needs -- what are the stakeholder
25 identified needs long-term for Norris, and then we
1 can begin to incorporate those needs into the 300
2 budgeting process for that particular reservoir.

3 MR. GREER TIDWELL: In that planning
4 process how will you be defining or have you been
5 able to yet determine how you're going to define the
6 business or the revenue generating impact of those
7 recreation needs and uses?

8 We talked about half a million in user
9 fees, that's obviously a drop in the bucket, but the
10 bigger picture is how those recreation efforts impact
11 the whole Valley and its economy.

12 MR. RALPH JORDAN: Right now it's not
13 planned that we would look seriously at the economic
14 benefits of that integrated resources management
15 program, if that's what you're asking.

16 MR. GREER TIDWELL: Yeah.

17 MR. RALPH JORDAN: We have not -- we
18 have looked at recreation benefits associated with,
19 say, the Reservoir Operations Study, and we have
20 incrementally looked at recreation benefits in
21 association with some other projects. Obviously when
22 you go back to Tims Ford and that reservoir
23 construction, 56 percent of the anticipated benefits
24 was based on anticipated recreation. There's been
25 some effort in the past to do that, but we have not
1 thought about the need for looking at what benefits 301
2 would accrue from our integrated resources management
3 program on a reservoir-by-reservoir basis. That's
4 not to say we couldn't do that.

5 DR. KATE JACKSON: Well, I think one
6 of the things we would look to is to have you provide
7 us some advice as to whether or not we should focus
8 on or emphasize activities that would create greater
9 turn in the economy, like commercial recreation, for
10 example, versus informal recreation like a trail,
11 which is an improvement in quality of life
12 potentially but not necessarily an economic
13 development investment per se.

14 So as we look at the recreation trends

15 in the region, to us we see more requests for things
16 like informal camping, informal use of wilderness
17 area, hiking trails, that sort of thing. If, in
18 fact, that's an investment that's appropriate to make
19 from the public perspective versus making land
20 available for more developed camping opportunities or
21 recreating opportunities, you know, how should -- how
22 do you advise us with respect to the kind of
23 priorities that we should use that land for?

24 Obviously, we're not going to make
25 money on the recreation business. However, we do
1 have really good land that touches that land/water 302
2 boundary, and therefore, we realize that's an asset
3 for the region and what's your advice on the best use
4 of that, recognizing we're going to have to deal with
5 the budgetary realities of that advice.

6 MR. GREER TIDWELL: I would suggest
7 perhaps that to the extent that the demand for energy
8 increases as people come into the region and the
9 people come into the region fall on recreation
10 activities to some extent, TVA may make money on the
11 recreation activities it engages in, not such a
12 tenuous link, I don't think.

13 MR. BRUCE SHUPP: We're sort of

14 getting ahead of ourselves. We're getting into our
15 discussions this afternoon of how are we going to
16 answer these questions, and what I would like to
17 focus on now is, Jimmy, if you have a question for
18 Ralph to clear up some of the issues.

19 MR. JIMMY BARNETT: Well, I guess it
20 was more of a comment that probably should wait until
21 later, but I was going to throw out all of those
22 folks that's on a limited income that's going to have
23 to pay the tab for all of this, and this money is
24 derived from other place than the ratepayers.

25 I mean, a lot of those folks are
1 very -- I won't call them destitute, but they don't 303
2 have a lot of money and you're going to tell them
3 that they are going to provide money for somebody to
4 go out and ride a four-wheeler, they are going to
5 look at you like you're nuts.

6 Now, there is some economic benefit
7 that they might derive from indirect measures. If
8 there are more people coming in because of
9 recreational opportunities, Greer, then those
10 additional people can probably help keep assisted
11 living facilities open and that sort of thing.

12 I guess my comment, do you feel -- or

13 a question, do you feel -- or how comfortable do you
14 feel with the idea of, hey, maybe TVA should develop
15 more relationships with commercial people? I mean,
16 go out -- I know the river folks do that, the teams,
17 but I'm talking about on a commercial basis, go out
18 and really search for people to come in and even bid
19 off a section or bid off an opportunity and say,
20 okay, you do this and we will make the land
21 available, not give it to them, I am not talking
22 about that, but make it available for commercial
23 development so that the need is taken care of with
24 the very little -- other than some administrative
25 costs from TVA.

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1 MR. RALPH JORDAN: Jimmy, I think we
2 have had a history of doing that. I mean, that
3 opportunity has not been lost on us, and I think it
4 will continue to be a viable component of that
5 partnership buffet, if you will.

6 And I think what we -- we, as an
7 agency, have kind of done here in the wake of
8 diminished budgets and kind of pulling back from
9 where we were going, I think clearly TVA in the '60s
10 and '70s was hell bent on an accommodative strategy,
11 much like the park service and others, you know, we

12 were going to build it and they will come operate
13 campgrounds and all of that other stuff and then just
14 the money is not there.

15 I don't think it's just TVA. I think
16 you heard that from the Corps and others. I mean,
17 they are all struggling on the problems. I mean, I
18 am almost to the point that I'm saying, thank
19 goodness we didn't have 140 campgrounds.

20 I think what -- where we are is right
21 now we're kind of sitting here in a reactive position
22 reacting to what partners bring us, reacting to
23 others, and I think what we have got to do is we're
24 going to have to look at whether we maybe step out
25 and become more proactive, as you're suggesting, but
1 there needs to be something that's there underneath ³⁰⁵
2 that says, before you become proactive and go find a
3 partner, engage those stakeholders, understand what
4 the real needs are, don't just be out -- because you
5 can find those people you're talking about. They are
6 out there. It's like a number of those people that
7 were addressed yesterday. There's no shortage of
8 developers who are looking for opportunities. I
9 think TVA just needs to make sure that those
10 opportunities really are needed and that they are

11 serving the best interest.

12 I think one thing you have to be
13 concerned about is that person who doesn't live in
14 West Knoxville and drive a Lexus, are their
15 recreational needs still being met? Is that person
16 who can't afford the big, you know, power boat or the
17 deck boat or something that's still basically looking
18 for that informal dispersed opportunity, how well are
19 their needs being met? Certainly, they can't be
20 excluded from the mix.

21 MR. BRUCE SHUPP: Miles, last
22 question.

23 MS. MILES MENNELL: Back when LBL was
24 part of TVA you initiated or TVA initiated, I think
25 it was TVA who initiated an enormous study, the
1 concept -- the zero concept one, I forget the entire 306
2 title of it. It was an extraordinary initiative
3 looking for ways to develop LBL to make it
4 self-supporting, commercial development, et cetera,
5 et cetera. Have there been other initiatives like
6 that within TVA?

7 MR. RALPH JORDAN: Not of that scope
8 and magnitude. We have looked at working with others
9 to develop prospectus on certain tracts of land but

10 nothing that looked at it on a reservoir basis or on
11 a system basis.

12 You know, the LBL study that you're
13 talking about was, I think, well done, but it, in
14 fact, also, I think, precipitated some decisions made
15 later on that maybe we don't want to talk about.

16 But I think what I sense, and, you
17 know, everybody in here has their own opinion, is
18 that there's very strong interest in the region in
19 there being public land base, and I think you walk a
20 very delicate tight rope, almost a razor blade, if
21 you will, between managing the public estate and then
22 trying to provide these opportunities by using these
23 partnership arrangements with the commercial and
24 private sector in a way that the opportunities are
25 provided such that it doesn't appear that we're
1 privatizing public assets. 307

2 We deal with this every day here, and
3 it's -- I know the Corps spoke to it, the Forest
4 Service, it is hard to do in every case what's right
5 and what represents the public interest best without
6 in some cases appearing as though you maybe are
7 leaning too far in the direction privatization and
8 commercialization, that's just a real difficult

9 thing, Miles. But, yeah, certainly we have looked at
10 it's, but nowhere besides LBL have we looked at it on
11 a scope and scale of that magnitude.

12 MS. MILES MENNELL: That fine line is
13 why I raised the issue.

14 MR. RALPH JORDAN: Yes, ma'am.

15 MR. BRUCE SHUPP: Ralph, thanks you
16 really prepared us well for the discussion this
17 afternoon. We appreciate your effort. We do have
18 copies of all of his graphics in our handouts.

19 What I would like to do now, we don't
20 have to introduce the questions, Ralph introduced the
21 questions, this is what we're going to talk about
22 this afternoon, and we do have a good number of
23 visitors here to discuss things with us from the
24 public, and I think we'll take certainly the full
25 hour of public comments.

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1 So I would like to take a quick
2 ten-minute break to make sure that the Council stays
3 in their chairs through the public comment period.
4 So let's take ten minutes, and I mean a quick ten
5 minutes, back here at 9:37.

6 (Brief recess.)

7 MR. BRUCE SHUPP: Start taking our

8 seats, please. Okay. We're entering the one hour
9 set aside for the public comment period. I have five
10 speakers registered to speak.

11 Is there anyone here that wants to
12 speak that has not registered?

13 Okay. The five speakers will have
14 five minutes of presentation. We will ask the
15 speakers to please use the podium. The reason for
16 that is there's a microphone, which this proceeding
17 is being taped. It's also being recorded by a court
18 stenographer.

19 So please when you do come up state
20 your name, the organization or affiliation, and the
21 subject you want to talk on. Then you have five
22 minutes. Our facilitator, Mr. Wahus, will be timing
23 that. After the five minutes -- he will give you a
24 sign two minutes, one minute to lead you through the
25 presentation. After the five-minute period we will
1 have about five minutes for questions for each 309
2 speaker.

3 All right. Ready to go. The first
4 speaker is Carl Robinson from the South Holston Lake
5 Owners Association. Carl.

6 MR. CARL ROBINSON: Good morning. I

7 am representing the South Holston Lake Users
8 Association. I am a land owner on the lake. And we
9 started with a number of different issues. I have
10 looked through all of the material that the TVA has
11 presented where we voted on, commented, or made our
12 comments on e-mail and stuff.

13 And starting out with the base case, I
14 was right disappointed with the TVA for the amount of
15 years that we have spent using the lake and see such
16 low lake levels during the winter. I think that it
17 has been used to the advantage for navigation and
18 power, which all of that is fine and everything, but
19 it makes the flood control overbearing.

20 I felt like that TVA was set up for
21 flood control as the No. 1 issue, and it's been too
22 strong of an issue. They have -- we have never had
23 our spillway used. It's been within roughly 6 feet,
24 that's all that's ever been across it with water.

25 And I felt like the amount of water
1 that we have had this year, we have been so blessed
2 to have an extra amount of water. It makes the TVA
3 look a little better than it normally has in the
4 past. And fault has always been an easy thing to
5 find and if you come here to criticize TVA for some

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6 of the things that has gone on in the past, they need
7 to know that a lot of people in Southwest Virginia is
8 not very appreciative of the way they have been
9 treated over the past 50 years, and I would be one of
10 them.

11 The thing of it is, our fishing this
12 year has been better with the higher lake levels than
13 it's probably been ever, and we get a tremendous
14 amount of people that use the lake. And the thing of
15 it is, Southwest Virginia is -- they are the ones
16 that are really bearing on one industry only, which
17 is coal, and coal is dying in Southwest Virginia.

18 The reason it's dying is because the
19 people in Kentucky and West Virginia where there
20 regulations are a little bit less controlled than
21 what they are in Virginia, so it makes it hard for
22 Virginia to compete. So it's a struggle in the coal
23 industry, but they would be the largest economical
24 provider in Southwest Virginia.

25 The Bristol race would have to come in
1 second place. They have a tremendous drawing card 311
2 for revenue, and it comes quick, up in the
3 neighborhood of \$144 million per race, and that's a
4 big issue.

5 The next thing that is probably the
6 third largest economical issue that comes into play
7 in Southwest Virginia is South Holston Lake. People
8 depends on it. Throughout the whole region people
9 are just -- that money is spread very wide, and when
10 you start dropping the lower lake levels it's just
11 like turning off the spigot.

12 I have talked to several store owners
13 and people that they say, you know, the money from
14 the race is just a real quick amount of money and
15 it's big, but they depend throughout Southwest
16 Virginia throughout the warm weather seasons for
17 getting their revenue from the lake.

18 And people, these coal people, they
19 spend the money, it's widespread, and their building
20 homes. We're getting tax money off of South Holston
21 Lake that the value of the property has never been
22 higher, never, and it brings a lot of tax money into
23 Washington County, Virginia.

24 We have people that have run a survey
25 from the Tennessee Valley Authority that I felt like
1 was more issue into Tennessee. I did not see from ³¹²
2 the two meetings that I attended that the -- we went
3 to make a comment on and vote on-line, and we got a

4 real education, but from what I could tell, when it
5 came to the economics of it, I think that TVA put
6 just a little bit less interest into Virginia.

7 Three lakes, the Patrick Henry, Norris
8 Lake, which gets their water from the Powell River
9 and the Clinch, and South Holston Lake gets some
10 water from Tennessee, but 75 to 80 percent of the
11 water that goes through the South Holston comes from
12 Virginia. And if you want to spend water wisely,
13 don't waste it because the economics in Southwest
14 Virginia, they depend on it.

15 Thank you.

16 MR. BRUCE SHUPP: Thank you. Any
17 questions for Mr. Robinson?

18 Okay. Thank you very much. I have
19 Sandy Robinson, J. A. "Sandy" Robinson from South
20 Holston Lake Users Association.

21 MR. SANDY ROBINSON: I will be
22 speaking on recreation. Greetings, my name is J. A.
23 "Sandy" Robinson. I live in Abingdon, Virginia. I
24 am speaking on behalf of the South Holston Lake Users
25 Association.

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1 During the past 20 months we have
2 written numerous letters, have attended many

3 meetings, and have spoken with several
4 representatives of TVA concerning the lake level
5 issues and better opportunities for recreation.

6 My requests to you are as follows:

7 That alternative A be selected as the best
8 alternative from your study; that TVA extend the
9 beginning of the proposed summer drawdown date from
10 September 1 to October 1; that TVA continue to work
11 with the Virginia Department of Game and Inland
12 Fisheries concerning lowering the lake levels during
13 the spawning seasons for the different species of
14 fish, please do not destroy the fish eggs; that TVA
15 treat the users of South Holston Lake as you do for
16 the nice citizens of Boone Lake without penalizing
17 the users of Boone Lake; that TVA place a much higher
18 emphasis on recreation, recreation should be equally
19 important as flood control in the generation of
20 electricity.

21 Potential benefits from my listed
22 requests: There would be a much longer recreation
23 season for fishing, boating, water-skiing, and
24 sightseeing. There would be a significant increase
25 in spending by those who use the lakes. There would
1 be a much greater opportunity for tourists to use our

2 beautiful lakes. Better opportunities for tourism
3 and recreation would provide a significant increase
4 in retail sales, new jobs, and sales tax.

5 Summary: Higher lake levels during
6 the summer, fall, and winter seasons will provide
7 greater opportunities for recreation throughout the
8 TVA region. The entire region would benefit
9 economically. TVA's public image would be greatly
10 improved with very little or no cost to TVA.
11 Optimizing the opportunities for recreation would be
12 a win/win proposition for TVA.

13 On behalf of the citizens of our
14 region, thank you for your work in completing the
15 Reservoir Operations Study, hosting your recent
16 meetings throughout the TVA region and for working
17 together with the Stewardship Council.

18 Thank you.

19 MR. BRUCE SHUPP: Questions?

20 MR. GREER TIDWELL: Yes, sir.

21 Mr. Robinson, when your group has gotten together to
22 think through these different options in the River
23 Operations Study and come to us with your resolution
24 that it really needs to be focused on recreation, how
25 did the discussion go about ratepayers paying for

1 that? Tell us kind of how those discussions went in
2 your organization.

3 MR. SANDY ROBINSON: We have never had
4 much in the way of discussion about ratepayers paying
5 for it. I don't believe that's necessary. I do not
6 believe it's necessary. We believe that TVA can
7 operate their system of reservoirs. As an example,
8 you're talking about Alternative A, I don't think
9 there's any problem, I don't believe, in having --
10 going back to the ratepayers to pay for anything that
11 comes out of Alternative A, I just do not believe
12 that's necessary.

13 Any other questions?

14 MR. BRUCE SHUPP: Jackie.

15 MS. JACKIE SHELTON: Mr. Robinson,
16 when the meetings were held in Bristol, information
17 meetings, how many of your people were able to attend
18 that from the South Holston area?

19 MR. SANDY ROBINSON: We had 299
20 people. I was the last person to leave that meeting.
21 And I might add that the folks from TVA did a nice
22 job in handling the -- for the most part in handling
23 the meeting. It was very well -- for the most part
24 very well organized, and we had pretty good

25 participation from the people that were there.

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1 MS. JACKIE SHELTON: Realizing that
2 the Southwest Virginia represents a very small
3 portion of TVA, however, we do have the Holston
4 River, Clinch River, and Powell River, which do feed
5 into our reservoirs.

6 MR. SANDY ROBINSON: Thank you.

7 MS. JACKIE SHELTON: I would like to
8 thank you for all your work. You have presented your
9 case in a very concise manner. Thank you very much.

10 MR. SANDY ROBINSON: Thank you.

11 MR. BRUCE SHUPP: Miles.

12 MS. MILES MENNELL: This is just a
13 follow-up to Greer's question. You said you haven't
14 really discussed or you're not concerned about the
15 ratepayers paying for recreational opportunities, et
16 cetera. Have you discussed federal appropriations in
17 your meeting among your group or the desirability?
18 Has that been an issue that's been raised to get
19 these things paid for?

20 MR. SANDY ROBINSON: Not to a great
21 extent. You know, recreation is very, very
22 important, we believe, and we would request that TVA
23 place a much higher emphasis on recreation. We

24 really believe that there's an opportunity to have a
25 better balance.

1 We do recognize that, you know, flood ³¹⁷
2 control and its generation of electricity is very
3 important. It's not as important obviously to those
4 of us that lives in Virginia as it is for those
5 people who live downstream from us, but, you know, we
6 want to be -- we want to be a good part of the
7 citizen aspect of it. You know, we don't want to
8 have flood problems downstream from us. You know,
9 we're all American people and we would like to see
10 the people protected.

11 And, of course, TVA is in the business
12 of generating electricity, we understand that. Also,
13 of course, with the higher lake levels we know that
14 the generating equipment will operate much more
15 efficiently if the lakes are kept at a higher level.

16 MS. MILES MENNELL: I have a follow-up
17 question. I know that your Congressman, Rick
18 Boucher, has put in an enormous emphasis on
19 ecotourism and the development of ecotourism in
20 Southwest Virginia.

21 MR. SANDY ROBINSON: Yes.

22 MS. MILES MENNELL: Have you found

23 opportunities -- and he has been a supporter of that
24 in terms of getting the money for it, too. Have you
25 had opportunities to work with him or dialogue with
1 him about these issues? 318

2 MR. SANDY ROBINSON: I have been in
3 his office, as I have the other two federal Senators
4 numerous times, and Rick Boucher has been a very good
5 steward and a proponent of tourism. He has really
6 beat the drum for tourism. We're big in tourism in
7 our area.

8 And we believe that the South Holston
9 Lake is one of the most beautiful lakes. I have been
10 on many of the other lakes, and it is a beautiful
11 lake when it's up at a higher level. There's so many
12 nice people that have been, you know, from outside
13 the area that have visited our lake and have
14 commented on the beauty of our lake. It's like --
15 it's something that we're just not -- it isn't being
16 utilized like it should be, you know, and higher lake
17 levels will help that. It will give us a boost in
18 tourism.

19 MS. MILES MENNELL: Thank you.

20 MR. BRUCE SHUPP: Thank you, Mr.
21 Robinson.

22 MR. SANDY ROBINSON: Thank you. I
23 have got copies here.

24 MR. BRUCE SHUPP: The next speaker is
25 David Monteith, Commissioner of Swain County, Fontana
1 Lake Association. 319

2 MR. DAVID MONTEITH: My name is David
3 Monteith. I thank you for the opportunity to come
4 and speak today. I am a Swain County Commissioner
5 and Chairman of the Fontana Lake Users Association.

6 Our organization is a group of
7 concerned lake users who want to see improved
8 condition of Fontana lakes. I would like to speak
9 just a moment on some of our concerns.

10 First of all, we would work with TVA
11 to achieve a September 30th drawdown, this is what we
12 would really like to see. We work with TVA now to
13 improve water quality by supporting a no dump of
14 waste on Fontana Lake. We just recently passed an
15 ordinance to keep the pollution out of the lake from
16 boathouses. We do a monthly clean-up on Fontana Lake
17 and the tributaries that come in. We do have a lake
18 watch program. We support more productive fishing
19 from Fontana Lake.

20 We work with TVA not to hinder the use

21 of our water for TVA's power production downstream,
22 which we receive no power from TVA, none whatsoever,
23 not to hinder TVA's need to operate and keep the
24 rivers below Fontana Dam safe throughout the river
25 system.

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1 We do feel like that we help in flood
2 control for other cities below Fontana, and we want
3 to do to. And also for water quality, to have better
4 water quality for all of us. Fontana Lake is the
5 largest drawdown of any lake in our area. This
6 drawdown is very devastating to Swain County. As I
7 said while ago, Fontana receives no power or Swain
8 County received no power from Fontana Lake.

9 Fontana Lake User Association has put
10 together three studies to show the effects of a
11 longer summer lake level and the economic benefits to
12 Swain County. U.N.C.A. of Asheville has done one
13 study, spent about a year and a half, about \$40,000
14 that Congressman Taylor had appropriated to get this
15 study done, and the Lake Users Association have done
16 our own study.

17 The U.N.C.A. of Asheville study showed
18 that an additional two months on the Fontana Lake
19 level would put \$1.55 million, and I will give you

20 guys a copy of this, into Swain County's economy.

21 This is our biggest industry is tourism. When your
22 lake drops 70 feet in the wintertime, that's pretty
23 devastating to Swain County.

24 The Fontana Lake User Association asks
25 that the Regional Stewardship Council consider and
1 TVA to consider Alternative A for Fontana Lake. This ³²¹
2 would give us a Labor Day drawdown.

3 I have brought two or three pictures
4 along, and I will give these pictures to you folks,
5 but this is one of our ramps that's two minutes from
6 Bryson City on Labor Day. We lost the use of this
7 ramp a week before Labor Day. This is what the ramp
8 looked like three weeks earlier. So, you know, you
9 completely lose something two minutes from town and
10 it really is devastating.

11 At this ramp we have a picnic
12 pavilion. We have one of the only handicap
13 facilities for fishing. All of this goes, as far as
14 lakes, the river people, you know, the river people
15 can use it.

16 We have got some people also that we
17 would like to thank because without TVA's help, the
18 work that we do we could could not do. Steve Akers,

19 Woody Farrell, Jack Miller, Darrell Cobbesolm, Nick,
20 these guys helps the Lake User Association. They
21 provide trash bags, a boat for the association.

22 This year we have took out over 5 tons
23 of trash. We have built about 70 fishing attractors
24 on Fontana Lake. We plan to do another 100 next
25 year. And these guys and TVA is what makes it
1 happen. They not only furnish us things, they come 322
2 and help us too. They get right in this trash and
3 work with us. So we definitely want to thank them.

4 TVA has helped us with a new fishing
5 pier that have, as I said, one of the only fishing
6 handicap piers in the whole area. TVA has put a
7 tremendous amount of time and money into helping us
8 as we got grants to do this. Also, a new picnic
9 pavilion at this facility that we have we call 288.

10 This year we are planning to do
11 another Healthe Carolina Hiking Trail. This would be
12 about a mile and a half that joins this pavilion. So
13 we have got a lot of plans, and this is only the
14 very, very upper end of about 30 miles length of
15 lake.

16 So, you know, we really appreciate
17 what TVA has done, but we feel like TVA and this

18 Alternative A would really give Swain County a boost
19 in our economy, and we hope that you folks will make
20 that recommendation.

21 MR. BRUCE SHUPP: Thank you.

22 Questions? Miles.

23 MS. MILES MENNELL: David, would you
24 comment a little bit further about the importance of
25 tourism to your county, especially vis-a-vis how much
1 of the land is not your land in your tax base, et ³²³
2 cetera?

3 MR. DAVID MONTEITH: The land
4 surrounding Fontana Lake on the right-hand side is
5 all national park. The left-hand side is about 90
6 percent U.S. Forest Service land. We have very
7 little land, you know, to work with as far as
8 building homes or whatever around it. It's just --
9 there's no private land there.

10 Through tourism and tourism alone,
11 about 880 jobs is created every year through -- and
12 this is what the study showed of U.N.C.A. of
13 Asheville. This is what -- how Swain County benefits
14 from this. It would put about an additional 100 jobs
15 lasting an extra two months or one month, and so it's
16 devastating that we don't get this.

17 Would that help, Miles?

18 MS. MILES MENNELL: Yeah. I just
19 wanted to get it on the record. And a large number
20 of your population, in fact, is receiving welfare
21 checks or entitlements or whatever. So there are not
22 a lot of opportunities.

23 MR. DAVID MONTEITH: We are the
24 poorest county in the state. You know, Swain County
25 gave up a lot. We give up over 60,000 acres so that
1 TVA could use 11,000 acres to build this dam. We ³²⁴
2 gave up -- probably over 6,000 people had to move
3 because of this, because of the whole project, and
4 that was very devastating to Swain County. We lost
5 half of our economy. We lost half of our tax base.
6 We work on about a 16 percent tax base now, and it's
7 hard to make the county operate with that.

8 MR. BRUCE SHUPP: Any other questions?

9 MS. JACKIE SHELTON: Sir, could you
10 tell me how many volunteers you have currently
11 working as it relates to the lake?

12 MR. DAVID MONTEITH: We have an 11
13 member board, these people volunteer. We have about
14 200 people involved in our Fontana Lake User. On any
15 given day, there will be 20, 25 people that comes

16 down and helps us on doing lake clean-ups.

17 We use the inmates at Heywood County
18 Correctional Institute. We use local people that's
19 incarcerated in our system, they are allowed to be
20 able to use them. Unfortunately, we can't put them
21 on the water. The only time we can use them is in
22 the dead wintertime when they can walk. There's no
23 access to these areas either other than walking. We
24 use school groups. We use job Corp, you know, we
25 pick up all the volunteer help that we can.

325

1 MS. JACKIE SHELTON: Thank you.

2 MR. GREER TIDWELL: The folks that you
3 thanked for their help in support of the watershed
4 team, was that the TVA watershed team, Commissioner?

5 MR. DAVID MONTEITH: Yes, sir. That's
6 the people that work with TVA on our watershed,
7 right. These guys make it really possible for us to
8 do this. They have been a great help for us.

9 MS. MILES MENNELL: I wonder if you
10 would tell us a little bit also about your Swain
11 County partnership and the opportunities you have
12 created by partnering with so many different agencies
13 and entities.

14 MR. DAVID MONTEITH: In Swain County

15 we do have a partnership for the future of Bryson
16 City and Swain County. We have brought in several
17 federal and local agencies. We use TVA. We use the
18 National Park Service. We use the state. We use
19 wildlife. All of these agencies has come in and help
20 us form this partnership.

21 TVA was probably the instigator, I
22 would say, which has been real good in helping this
23 get started, and they have been a part of it for
24 about ten years. We have about 11 different groups
25 in this partnership. We have local, state, and
1 federal government. We have the Fontana Lake User 326
2 Association. We have museum committees. So we have
3 a lot of partnering with a lot of people.

4 We have just recently formed joining
5 with the Tuckasega watershed and the Little Tennessee
6 watershed in forming a new partnership to bring in
7 two other counties that's going to be involved with
8 our partnership also because we realize, you know, 90
9 percent of the trash that we get comes from upstream,
10 and this year we were well blessed with it.

11 We had about -- during the flood that
12 we had, we probably had 300 or 400 yards all the way
13 across the lake solid that you could walk on. We

14 have worked on that. We have had -- National Park
15 Service brought in barges. The DOT furnished
16 chippers. Wildlife brought in boats and men. We
17 have worked all summer on this. I mean, it's still
18 there today. Fortunately -- unfortunately, the lake
19 has went down, but fortunately since it's went down
20 it's on dry ground and we will be able to get into it
21 as soon as the mud clears and start working on it,
22 and we will build 100 fishing attractors from that.

23 MS. MILES MENNELL: Quickly, what are
24 the two other counties you're partnering with?

25 MR. DAVID MONTEITH: Beg your pardon?

1 MS. MILES MENNELL: What are the two³²⁷
2 other counties that you're beginning to partner with?

3 MR. DAVID MONTEITH: Jackson County
4 and Macon County. Both of them are tributaries off
5 of Fontana Lake in different areas.

6 MR. BILL FORSYTH: David, do you know
7 the vertical drawdown of Fontana? Isn't it about 80
8 or 90 feet?

9 MR. DAVID MONTEITH: On an average of
10 70 feet, and that's just normal years, that's not the
11 five-year drawdown, it's about 70 feet. As I say,
12 two minutes from town three weeks ago you could put a

13 boat in the water, three weeks later you can't, and
14 that's used heavily, I mean, heavily by fishermen and
15 boaters.

16 MR. PHIL COMER: Have you had any
17 contact, David, with your U.S. Senators in North
18 Carolina concerning this matter?

19 MR. DAVID MONTEITH: We have.
20 Congressman Taylor, as I said, he appropriated this
21 \$40,000 for this study that was done by U.N.C.A. of
22 Asheville. He has worked with Congressmen from here
23 in Tennessee. In Georgia I think they have even a
24 bill up or a subcommittee bill trying to get
25 something done from this, but he has been very big
1 playing in this part. 328

2 Our Senator, Senator Edwards, he has
3 supported this same drawdown, we have involved him.
4 Our state representative, Phil Haire, we have
5 involved him. All of these people are in support of
6 this Alternative A, and they have been players in
7 helping us literally get money in so we can operate.

8 MR. BRUCE SHUPP: Thank you. Very
9 good, David.

10 The next presenter is the County
11 Manager from Swain County, Kevin King.

12 MR. KEVIN KING: Good morning. Thank
13 you for this opportunity to come and speak to the
14 Council. My name is Kevin King. I am the Swain
15 County Manager, and I am going to be speaking on the
16 economic impact to the local government itself.

17 The Swain County Board of
18 Commissioners voted about three weeks ago to send a
19 letter to TVA concerning the Alternative A
20 alternative, and it is -- they want to see a
21 lengthening of any time period for the summer pool
22 season.

23 The economy of Swain County depends on
24 the recreational activities centered around all of
25 our natural resources. With the limited industrial
1 jobs in the area, it is -- we rely heavily on the 329
2 tourism industry, as David has said.

3 The average ad valorem taxes that we
4 bring in represents approximately 38 percent of our
5 total budget. The State of North Carolina's average
6 for a local government is approximately 80 percent,
7 and this is due to the Great Smoky Mountain National
8 Park, the Forest Service, TVA, and Wildlife. And so
9 as you can see, it is a big impact. The sales tax
10 represents approximately 33 percent.

11 And recently we enacted an Article 44
12 tax, which with this coming in our sales tax is going
13 to be greater than our ad valorem, which is kind of
14 unheard of. Most of the time it's property taxes.
15 So any recreational or any tourism brought into the
16 county is going to increase that base for us, and we
17 need all we can get, because we do have the same
18 services as any other county that has a tax base of
19 90 percent when we're at 13 percent. We have to
20 provide the same amount of services that they do.

21 So with that, the Board of
22 Commissioners supports Alternative A in the reservoir
23 study, and the board feels that with Alternative A,
24 it will be the best impact for Swain County and the
25 least impact for TVA.

330

1 Thank you.

2 MR. BRUCE SHUPP: Thank you very much.
3 Nelson L. Ross, Executive Director of Tennessee Isaak
4 Walton League.

5 MR. NELSON ROSS: Ms. Jackson and
6 Mr. Chairman, Members of the Committee, we appreciate
7 the opportunity to speak this morning before the
8 Council.

9 I would like to start by urging the

10 continuation of this Council in another
11 administrative term. However, TVA would -- if it be
12 another two-year term, I know there's time now to
13 consider that. We feel like this -- the charter for
14 this organization is beginning to be fulfilled, but
15 it takes time to mature real good activity between an
16 agency as large as TVA and its various stakeholders.
17 So we would encourage the continuation of this
18 process, Mr. Chairman.

19 I would like to also publicly thank
20 Phil Comer for his representation on this committee
21 to us. Mr. Comer has kept us informed in a very good
22 way, e-mails, phone calls, access to documents, and
23 things of this type that are public information but
24 for which citizens sometimes do not know how to get
25 to them or how to ask for them, this has been very
1 valuable. 331

2 Also, it's good to see Mr. Tidwell on
3 this commission. Back in Pigeon River days when we
4 were fighting the Pigeon River cleanup years ago we
5 had had some contact kind of passing between
6 Mr. Tidwell and our organization.

7 Having said that, the Tennessee Isaak
8 Walton League has had a good cooperative relationship

9 with TVA since our founding in 1977. This has been a
10 good relationship. TVA has excellent people on the
11 ground. They provide outstanding services to
12 citizens who are interested in natural resources, and
13 for that we have been most grateful.

14 Since June of 2000 the Isaak Walton
15 League have formed offices. We have offices down
16 here on the waterfront at Volunteer Landing Marina.
17 We have a staff of seven full-time people. At the
18 end of our fiscal year, which is the calendar year,
19 we will have contracts in force and money spent,
20 including matching monies exceeding half a million
21 dollars, each day focused on improving natural
22 resources related to water, recreation, and public
23 lands.

24 In this focus, we have a number of
25 division heads in our organizations. Three of them
1 are here I would like to introduce. Alicia Kelly,
2 Alicia, would you please stand? Alicia is our
3 director of operations in membership. Ben Ramsbottom
4 is the director of water resources. Rob Toole is our
5 erosion control specialist.

6 We have three other staff members who
7 are under contract with U.S. Forest Service this week

8 doing IBI's on 20 streams in the Citco area and could
9 not be here, that's Robert Sayne, our fisheries
10 biologist, Mark Campen, wildlife specialist and
11 riparian specialist. Charlie Farmer, who is our
12 environmental technician and also stream resource
13 manager.

14 Each day we spend -- each of these
15 staff members and volunteers and associates spend a
16 workday focused on primarily three areas that deal
17 with water quality; that is silt, sewage, trash and
18 debris. It had a very familiar ring hearing the
19 representative from Fontana Association talk about
20 this large area of this large flow debris floating,
21 floating debris and trash. We see a lot of that in
22 all of the lakes, sir, and I want to commend the
23 outstanding work you people are doing in dealing with
24 that when it's in the water.

25 However, we have found that we can
1 spend lifetimes dealing with these kinds of things as 333
2 it comes to our water. The key is to broaden the
3 focus and get more people in various communities
4 preventing these areas of pollution. Silt and
5 sewage, as well as the trash and debris can be
6 managed more cost effectively in the various

7 communities from which these problems come than they
8 can when they get into the reservoir when it's very
9 difficult to deal with these problems.

10 We would -- had requested two years
11 ago before this committee an opportunity to present a
12 full-blown comprehensive report. Using these
13 outstanding facilities that you have here, we can use
14 a Power Point presentation and some video
15 presentations of the types of work that we do daily
16 and also give a pretty good prediction of things
17 that -- on which we're focusing in the future. I
18 would like to extend, again, Mr. Chairman, and
19 pointedly extend the opportunity for us to make this
20 presentation before this committee. We think it
21 would be worthwhile.

22 We think we're doing good work that
23 has gone to market and is providing these monies to
24 do this work. This \$500,000 is not printed on our
25 press. We go to market in free enterprise and the
1 public and agencies are -- and private monies are 334
2 paying for this work.

3 Thank you so much, again, for the
4 opportunity to speak to you. I would ask you if you
5 have questions we would be happy to receive those.

6 And also, any members of our staff to which you would
7 want to pose a question would be willing to answer
8 them.

9 Thank you.

10 MR. BRUCE SHUPP: Thank you. One good
11 thought about private organizations making
12 presentations of what they are doing within the
13 Tennessee Valley, we haven't looked at that in our
14 four years of existence as a Council, but that's a
15 recommendation we will certainly consider. We
16 appreciate you making that offer.

17 Any questions?

18 MR. BILL FORSYTH: Could you go into a
19 little more detail about the source of your revenue
20 for your organization?

21 MR. NELSON ROSS: Okay. The source of
22 revenue comes primarily from three sources. They
23 come from federal government monies that come through
24 Section 319 of the Clean Water Act. It's
25 administered through EPA and the Agricultural
1 Department in the State of Tennessee.

335

2 One of those major contracts is
3 focused on recovering Williams Creek here in East
4 Knoxville from the 303D list, which it's a list that

5 lists all the streams in the State of Tennessee that
6 do not meet recreational quality.

7 Our program is a five-year program.
8 We will spend over this five years just under
9 \$500,000 in this urban watershed recovering this
10 stream from an area that has a fecal coliform count
11 measured at one of the sites of 1,600,000 fecal
12 counts per 100 milliliter down to the recommended
13 safe level of under 200, which is an EPA standard.
14 We have a lot of partnerships with utilities with the
15 city and others that are helping to do that.

16 Other is money that comes from
17 agencies, state agencies. We have a TWRA grant of
18 \$10,000 this year, an increase from \$8,000 that
19 focuses on riparian zones. Those are areas along
20 streams that are vegetated and that are being cut
21 down by a lot of people who are well intended but
22 they aren't sure of the damage they are doing to the
23 stream, and we do that kind of thing, and also use
24 those monies to restore these riparian areas, stream
25 restoration, engineering, and projects to which we
1 work with TVA, Ms. Jackson, often because you have to 336
2 do the permitting on that, along with Corps of
3 Engineers and TDEC.

4 Then private monies, we have people
5 that write us checks for \$10,000 and more because we
6 ask them to consider partnering with us in doing the
7 kinds of work we done. And incidentally, I know all
8 of you're cognizant that this is 9/11 and we're very
9 somber about the occasion of this day, but for the
10 last two years this economic condition that was
11 created since 9/11 has put a lot of stress on all of
12 us, TVA, Ms. Jackson, as well as a guy that sells
13 hotdogs down the street, the person that sells real
14 estate or cars, and especially people who are
15 501C3's, it's been very difficult to find funding for
16 a lot of 501C3's.

17 Ironically during this time is when we
18 have grown from zero to better than a half million
19 dollars, and we project going beyond a million
20 dollars in the next 18 months to two years. So this
21 shows you when you're working in free market that
22 there is value added to the kind of work that we do
23 and the public supports it.

24 We have no billboards. We do not do
25 things before TV and advertise and beg for money. 337
1 We're not a charity. We're a service that provides
2 professionally oriented services to improve water

3 quality and recreational opportunities and public
4 land opportunities, and the free market is supporting
5 those big time. We aren't laying people off. We're
6 hiring people.

7 Any other questions?

8 MR. BRUCE SHUPP: We appreciate you
9 being here and we appreciate your effort, and we will
10 certainly consider your recommendation about some
11 private --

12 MR. NELSON ROSS: Well, if you'd give
13 us some time to make a presentation, we have a show
14 that I think would be spectacular compared to what
15 you may know is going on out there.

16 MR. BRUCE SHUPP: We appreciate it.

17 MR. NELSON ROSS: Maybe these people
18 could do some show and tell, but we would like the
19 opportunity, Mr. Chairman.

20 MR. BRUCE SHUPP: Thank you. Next
21 presenter.

22 MR. PHIL COMER: Bruce, may I make one
23 comment?

24 MR. BRUCE SHUPP: Sure.

25 MR. PHIL COMER: It's in connection
1 with Mr. Ross. He made just passing reference to the

2 fact that one of the ways they are trying to deal
3 with the trash problem along the Tennessee River
4 waterfront and so forth is to go to the source of
5 this.

6 Those of you who are familiar with
7 Knoxville know that First Creek, which enters the
8 river near Calhoun's by the river and another
9 restaurant and so forth is one of the main sources of
10 trash, Styrofoam cups and so forth.

11 One of the projects that Nelson and
12 his people and volunteers did was go all the way to
13 the source of First Creek and do a photographic album
14 of where the Styrofoam cups come from, most of which
15 have printed on the side either Weigel's or
16 McDonald's or Pilot Oil and so forth.

17 He did a statistical analysis of that,
18 and then he contacted the top managers of McDonald's
19 and Weigel's and Pilot Oil and others and showed them
20 this photographic album of what happens to the
21 Styrofoam cups once the coffee is gone, and this is
22 one of the sources of Mr. Ross' funding. It had a
23 very salient effect in addition to cleaning up First
24 Creek. They can't tell their customers what to do
25 with the cups when they're empty but they can help

1 finance the cleanup afterwards.

2 MR. BRUCE SHUPP: Thanks, Phil.

3 The next presenter is William Minser
4 from Maryville, Tennessee.

5 MR. WILLIAM MINSER: I am Billy
6 Minser. I live in Maryville or out in the country.
7 Thank you for allowing me to speak, and particularly
8 thanks to the Resource Stewardship Council, private
9 citizens for all the energy and time you-all give to
10 make things better in the Valley. And thanks to the
11 TVA staff, we appreciate what you do.

12 I didn't come with a prepared speech.
13 I actually didn't know about it until about an hour
14 ago, somehow it slipped by me, and although I didn't
15 write down the official representation of a group, I
16 am on the Board of the Tennessee Conservation League,
17 and some of the things I have to say, I am sure,
18 reflect that board.

19 As a steward of more than 293,000
20 acres of public land that TVA manages, obviously TVA
21 plays a critical role in providing recreational land
22 and conservation land for the people of Tennessee and
23 the rest of the Tennessee Valley.

24 Our world population is supposed to,

25 as I hear, double by 2050. And certainly, as we all
1 know around East Tennessee, we feel that population³⁴⁰
2 pressure here as development spreads out into the
3 community and out in the former farm lands there is
4 less and less land to recreate on.

5 So how TVA manages that recreational
6 land that you're responsible for is crucial. I guess
7 you would actually amount to probably the fourth --
8 third or fourth largest land owner in the state.
9 Although, it's dispersed land, and probably because
10 it is dispersed land, it may be even more important
11 in some regards than the national park.

12 The recent action of the TVA Board of
13 Directors, Bill Baxter and the rest to sell off a
14 small parcel on Tellico Lake, Rarity Point, to me
15 represents a dangerous trend that flies in the face
16 of trying to maintain land for the people to recreate
17 on. Poll after poll, study after study by TVA's own
18 staff shows that what the public wants is to maintain
19 that wild land that you're managing on our behalf for
20 public use.

21 There is absolutely no constituency
22 for selling off our public resource. It's a national
23 treasure, and no more than we would want to sell off

24 Cade's Cove, we don't want to sell off bit by bit,
25 parcel by parcel the land around TVA reservoirs, we 341
1 don't. There is no constituency for that.

2 I think the public is mad. If they
3 knew full well what is going on, they would be madder
4 than they are. I think there's going to be a
5 coalition of organizations throughout the south to
6 stop this trend.

7 I have worked with land conservancy, a
8 local land conservancy in the region, and with state
9 and federal agencies in raising monies. We have
10 raised millions of dollars to protect well over
11 100,000 acres in the last ten years.

12 Sometimes TVA has been a partner in
13 encouraging and facilitating that, but it's extremely
14 frustrating for the public and for these kind of
15 organization for on the one hand to be setting aside
16 some of the best resources we have left and on the
17 other hand having some of the best we have, the very
18 best on these TVA reservoirs, being sold out from
19 under us out of our back pocket. We want that to
20 stop, and we're going to do what we can to make it
21 stop.

22 And we have begged the Resource

23 Stewardship Council and the TVA Board of Directors to
24 have a comprehensive land use policy, and they have
25 refused to do so. They want to be flexible, quote,
1 to operate on some unknown agenda that we don't know³⁴²
2 about.

3 I don't claim that there's any
4 under-the-table dealings, but it leaves people to
5 wonder when land that has formerly been used as a
6 public resource for recreation is sold out from under
7 them and there's going to be lock-up gates and people
8 locked out, the public locked out for private
9 financial gain and personal use of another section of
10 the public.

11 When that land was acquired through
12 the power of eminent domain, that means for the
13 public good, and then it is sold for private gain, I
14 think that is against the spirit of the power of
15 eminent domain and in a way a fraudulent activity by
16 the TVA Board.

17 I saw a big banner out front, TVA
18 Cares, well, this shows me that TVA does not care in
19 some regards. I think TVA has been wonderful for the
20 Valley over the last 70 years, or however long it's
21 been in existence, and we want to work in partnership

22 with TVA. I mean, they have got a tremendous natural
23 resource staff.

24 And the TVA Board of Directors has
25 total power of what is done. I have read the TVA 343
1 Act. They can buy and sell land as they please, but
2 to me they need some oversight, and they don't have
3 it, and that's okay if they are doing good, but when
4 they are misbehaving, that's not good.

5 So when we have the reservoir
6 management plans for every reservoir in the system,
7 when we have the shoreline management initiative,
8 when we have the Resource Stewardship Council
9 working, it seems to be a charade because they are
10 going to do what they are going to do and to heck
11 with what the public thinks, and that's exactly what
12 happened with Rarity Point.

13 Rarity Point is just a symptom of a
14 much bigger problem. I don't have anything against
15 Mike Ross, he's a fine person and philanthropist, but
16 this action has got to stop.

17 Thank you.

18 MR. BRUCE SHUPP: Any questions or
19 comments?

20 MR. WILLIAM MINSER: Any questions,

21 I'd be happy to try to answer any.

22 MR. BRUCE SHUPP: Thank you very much.

23 MR. WILLIAM MINSER: Thank you.

24 MR. BRUCE SHUPP: Is there anyone here
25 that hasn't registered that would like to make a
1 comment? 344

2 All right. That closes our public
3 comment period, and the Council will take a 15 minute
4 break. Be back at 20 minutes to 11:00.

5 (Brief recess.)

6 MR. BRUCE SHUPP: We are now in the
7 hands of our very abled facilitator Mr. David Wahus,
8 and he's going to take us through the discussion one
9 question at a time. We will go until noon, break at
10 noon for lunch, and then be back to finish our
11 discussion.

12 David, it's all yours.

13 FACILITATOR DAVE WAHUS: Thank you,
14 Bruce. We have essentially four questions that we're
15 going to address, but I am going to ask that in
16 your -- with the energy that you have and the good
17 presentations that you have heard, I know you have a
18 lot of good ideas, but I am going to ask you to let's
19 focus on one question at a time. We're going to go

20 down the list as they are in the order of the -- of
21 your handout, and let's not try to get ahead so that
22 we can maintain some order.

23 We heard a lot of good things
24 yesterday and some more things today. And so in your
25 opinion what are the most important national and
1 regional trends TVA's recreation planning should take 345
2 into consideration?

3 What I would like to do is add all of
4 your thoughts, and I would ask that if Jimmy, for
5 instance, gives his thoughts to this, please don't
6 value those. Even if you don't agree with Jimmy,
7 leave them up there and then we'll come back and
8 we'll discuss them and we'll identify whether
9 everybody thinks these ideas are good or bad.

10 Jimmy, I know I am picking on you, but
11 I know that you're up to it.

12 MR. JIMMY BARNETT: Everybody else
13 does.

14 FACILITATOR DAVE WAHUS: Yeah,
15 everybody else does. So let's proceed.

16 Who might have the first thought as to
17 what trends should the TVA consider?

18 MR. BRUCE SHUPP: Population growth.

19 FACILITATOR DAVE WAHUS: And Laura is
20 over here, by the way, helping us out with getting
21 the information up there so you can see what has been
22 said. Population growth, we heard in the trends
23 yesterday that the population was going to double or
24 triple in the next 50 years.

25 MR. BRUCE SHUPP: And let's condense
1 that and put a slash and then user demand. 346

2 FACILITATOR DAVE WAHUS: Okay. Slash
3 user demand. User demand going along with that
4 population growth.

5 What else? What other trends?

6 MS. JULIE HARDIN: Preservation of
7 lands to recreate on.

8 FACILITATOR DAVE WAHUS: Is that a
9 trend? We're looking at trends now. Is that a
10 trend?

11 MS. JULIE HARDIN: Well, no, not as
12 much as it ought to be.

13 MR. GREER TIDWELL: Well, there's two
14 trends there. I think there's a preservation of
15 lands and there's a trend toward nonprofit private
16 preservation of land.

17 FACILITATOR DAVE WAHUS: There's more

18 land being preserved?

19 MR. GREER TIDWELL: At the same time
20 there's more land being lost to development.

21 MS. JULIE HARDIN: And profit.

22 MR. GREER TIDWELL: So in terms that
23 there's a trend of people being --

24 FACILITATOR DAVE WAHUS: Preservation
25 of land by non-profit, then the second one is more
1 land being lost to development. 347

2 MS. JULIE HARDIN: That's much better.
3 Thank you, Greer.

4 MR. GREER TIDWELL: Two sides of the
5 coin.

6 MS. MILES MENNELL: Crumbling
7 infrastructure.

8 FACILITATOR DAVE WAHUS: That's easy
9 for you to say. Crumbling infrastructure. Yesterday
10 that seemed to be an across-the-board concern.

11 Other concerns?

12 Jimmy.

13 MR. JIMMY BARNETT: One of the
14 concerns which got mentioned earlier and it got
15 reinforced, I think, by some of the things that I
16 have heard. I didn't hear any backing away from it.

17 When you're talking about user demand, it's the type
18 of user demand. It's a little more individualistic
19 now rather than in group type activities.

20 FACILITATOR DAVE WAHUS: Individual
21 activities are increasing. Lee had his hand up and
22 then Bruce.

23 MR. LEE BAKER: Actually, that's what
24 I was going to point out, the type of users is
25 changing, trend in change.

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1 FACILITATOR DAVE WAHUS: Somebody else
2 does agree with you.

3 MR. BRUCE SHUPP: Along with the
4 increase of different uses, I think the other trend
5 we're seeing is an overall diminishing priority of
6 recreation in the eyes of the political
7 decision-makers. Even though we're getting more
8 people, more uses, but we're not getting any more
9 money and we're not getting any higher priority. So
10 I think the diminishing priority in the eyes of the
11 decision-makers is a trend we have seen over the last
12 15 years.

13 FACILITATOR DAVE WAHUS: Diminishing
14 priority.

15 MR. BRUCE SHUPP: Diminishing

16 political priority, let's put it that way.

17 MR. LEE BAKER: Probably in that same
18 vein, the withholding or the money, the funding, tax
19 funding, which even if it were to come back at some
20 level is always going to be at risk, you know, every
21 time tax dollars get tight. So I think funding
22 issues or the lack of funding or lack of sustainable
23 funding.

24 FACILITATOR DAVE WAHUS: Okay. The
25 lack of sustainable funding. Very good. Miles.

1 MS. MILES MENNELL: I think we need to
2 add partnerships, the growing number of partnerships
3 or opportunities for partnerships.

4 FACILITATOR DAVE WAHUS: The number of
5 partnerships are increasing?

6 MS. MILES MENNELL: Seems to be.

7 FACILITATOR DAVE WAHUS: Okay. And it
8 was across the board, all kinds of different
9 partnerships.

10 Other thoughts? Greer.

11 MR. GREER TIDWELL: There's a trend of
12 improvement in goal setting and planning tools,
13 almost like a technological development across the
14 nation, and maybe even regionally there's better and

15 better planning and goal setting and tools available.

16 MR. BRUCE SHUPP: You could add to
17 that as part of the same thought, the tools exist,
18 but I think those tools are also being used better by
19 government agencies. In other words, there's more
20 willingness to utilize those tools.

21 FACILITATOR DAVE WAHUS: Okay. Let's
22 add that.

23 MR. GREER TIDWELL: At least by other
24 governmental agencies. We need to assess whether TVA
25 is using them or not, separate question.

1 MS. JACKIE SHELTON: In the growing
2 number of partnership opportunities, should we put
3 slash volunteerism because there seems to be an
4 increase of volunteerism in --

5 FACILITATOR DAVE WAHUS: Why don't we
6 just add volunteers as a separate item, increase
7 number of volunteers or the number of volunteers is
8 increasing?

9 Other thoughts? What other trends did
10 you hear? Go ahead, Lee.

11 MR. LEE BAKER: It may be dovetailing
12 that, but there is certainly more awareness of
13 environmental issues by the general public than there

14 was five or ten years ago, so that's an increasing
15 pressure.

16 MR. BRUCE SHUPP: But we're not
17 getting any more money.

18 MR. LEE BAKER: That's true. You can
19 put it right under that other bullet.

20 FACILITATOR DAVE WAHUS: But the
21 public is more aware.

22 MR. LEE BAKER: The public is more
23 demanding on environmental issues than they have
24 been, and I think that will get more and more.

25 MR. PHIL COMER: But Lee.

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1 MR. LEE BAKER: Yes, sir.

2 MR. PHIL COMER: While I totally agree
3 with that statement, it also impresses me that
4 there's a certain segment of the general public who
5 seem totally oblivious to it, and they are the ones
6 who keep dumping more and more crap into public
7 places, which is a terrible problem.

8 MR. LEE BAKER: I couldn't agree more.

9 MR. PHIL COMER: That's a peculiar --
10 it's not the same people who are becoming, you know,
11 environmentally very, very concerned, but, you know,
12 I look around the county I live in, and the people

13 who still just seem totally oblivious to this, you
14 can follow them in the car down the road and see them
15 tossing empty cans of plastic drink bottles out the
16 window and think nothing about it, you know.

17 MR. LEE BAKER: The only problem,
18 Phil, capital punishment is not a solution.

19 MR. PHIL COMER: I'm for it.

20 MR. LEE BAKER: I don't know any other
21 solution.

22 FACILITATOR DAVE WAHUS: Greer.

23 MR. GREER TIDWELL: I was concerned I
24 might have been maybe a little bit misunderstood if
25 we put what I said and what Bruce said together
1 there. 352

2 FACILITATOR DAVE WAHUS: Where are we
3 talking about?

4 MR. GREER TIDWELL: On the improvement
5 and planning tools, I see that as a trend, and Bruce
6 noted a different trend, which is government agencies
7 are using those tools better.

8 FACILITATOR DAVE WAHUS: Let's just
9 make it a second one, planning tools and goal setting
10 tools being used by government agencies.

11 MR. GREER TIDWELL: I really do think

12 it's a separate question about whether TVA is using
13 anything any better or not.

14 MR. BRUCE SHUPP: David, I want to
15 make a point too that --

16 FACILITATOR DAVE WAHUS: Wait just a
17 moment. Go ahead, Bruce.

18 MR. BRUCE SHUPP: Let's not confuse
19 two very important things when we're making our
20 priorities. There's a big difference between
21 environmental awareness and environmental concerns
22 and natural resource management and stewardship, two
23 different trains of thought. One deals with actual
24 things happening on the land. The other is concern
25 for our air and water. It's a different movement in
1 America and it's a different solution to many issues. 353
2 So the natural resource stewardship that changes
3 things on the ground is a lot different than concern
4 about the trash issues and it's different.

5 MR. PHIL COMER: Explain that
6 difference to me, Bruce.

7 MR. BRUCE SHUPP: The stewardship of a
8 resource means -- natural resource management means
9 changing the land/water interface, the way we use
10 that, the way we regulate it, the way we manipulate

11 it. What somebody else is throwing into the
12 environment is another issue, that's a problem and
13 it's awful, but it's not the same as, what do we do
14 about manipulating the resource.

15 MR. PHIL COMER: I would beg to differ
16 and say they are very -- they are close first cousin
17 issues.

18 MR. BRUCE SHUPP: Sure. Sure.

19 MR. PHIL COMER: But what we're really
20 seeing is a different segment of our population.
21 People who are concerned with the thing you
22 enunciated first, you know, more concerned about
23 stewardship, and this, that, and the other, it's a --
24 that's a different segment of our population who are
25 concerned about that, better educated, more
1 articulate, et cetera, well represented around this 354
2 table, of course, but it's just a different segment
3 of our population who are ignoring the heck out of
4 that. I don't see that we should tackle the one on
5 this intellectual level, you know, with great
6 exhortations at the higher level of agencies to be
7 concerned about it and ignore what to me appears to
8 be a growing problem.

9 MR. BRUCE SHUPP: Didn't want to

10 suggest that. All I am suggesting is that there are
11 some differences in the way --

12 MR. PHIL COMER: It's a different
13 segment of our population.

14 MR. BRUCE SHUPP: Whatever.

15 FACILITATOR DAVE WAHUS: Are there any
16 other trends that we need to be -- that should be
17 considered, TVA should consider as a -- when they
18 look at their future recreation program.

19 MS. JULIE HARDIN: Yesterday it was
20 mentioned that people are living longer and dealing
21 with more geriatric problems.

22 MR. PHIL COMER: I am all for that.

23 MR. GREER TIDWELL: Here, here.

24 FACILITATOR DAVE WAHUS: People are
25 living longer lives.

1 MS. JULIE HARDIN: We also mentioned 355
2 that there is a great attraction to resources around
3 water in recreation, water, water, water, natural
4 water, streams lakes, beaches, et cetera, and I think
5 we need to put that up as a trend as well.

6 FACILITATOR DAVE WAHUS: Great
7 attraction.

8 MS. JULIE HARDIN: Water resources for

9 recreating.

10 MR. BRUCE SHUPP: She's right.

11 FACILITATOR DAVE WAHUS: One of the
12 best examples of that is I remember when my son was
13 about six years old and he was playing a soccer game
14 and it was raining and there was a low spot in the
15 field, and as he came running down after the ball he
16 kind of made a detour so he could run right through
17 the mud puddle. Now we're just bigger and we're on
18 bigger bodies of water, but the attraction to water
19 hasn't changed a whole lot.

20 MS. JULIE HARDIN: And that's what
21 Bruce and Phil were debating. This is not a trend,
22 but it certainly ought to be when we get to that
23 question. I think we need to have environmentalism
24 in our grammar school education programs in our
25 public schools because the kids aren't learning.

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1 FACILITATOR DAVE WAHUS: Okay. When
2 we get to the solutions or some of the things we need
3 to do, let's talk to that, but let's not get ahead of
4 ourselves here. Let's focus on the trends. So if
5 you'll make a note of that and not let us forget it
6 we'll get to it.

7 MS. JULIE HARDIN: I won't let you

8 forget it.

9 FACILITATOR DAVE WAHUS: If we could
10 focus on trends here and not get ahead.

11 MR. GREER TIDWELL: Another trend I
12 see is the consumerism attached to outdoor
13 recreation.

14 FACILITATOR DAVE WAHUS: Elaborate
15 just a little bit more as to what you mean.

16 MR. GREER TIDWELL: Yeah. I am sort
17 of perhaps bastardizing that word consumerism, but
18 it's just more advertising. The reason people go to
19 the water is because you make a lot of money selling
20 a boat, just like the trend away from, excuse the
21 personalization of this, but breast-feeding, nobody
22 makes any money off of breast-feeding, nobody makes
23 much money off taking a hike, but if you have got
24 boats to sell you're going to advertise, you're going
25 to pull people to the water.

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1 MS. JULIE HARDIN: Breast-feeding, now
2 that's interesting.

3 MR. GREER TIDWELL: Well, we've talked
4 a little bit about human health and relationships,
5 that seems to be pretty much a core issue.

6 MR. PHIL COMER: Can I move?

7 FACILITATOR DAVE WAHUS: It's one of
8 the first times I have seen Phil without any comment.

9 MS. JULIE HARDIN: Greer, we're so
10 glad you came.

11 MR. GREER TIDWELL: I am glad I woke
12 up at 3:00 and drove over here.

13 MR. LEE BAKER: By chance, have you
14 got a new baby in the house?

15 MR. GREER TIDWELL: I have got a new
16 baby in the house, folks, there you go.

17 MR. LEE BAKER: I wondered how we got
18 there.

19 FACILITATOR DAVE WAHUS: Jackie, did
20 you have a trend that you would like to add?

21 MS. JACKIE SHELTON: Yes.
22 Recreational activities closer to home.

23 FACILITATOR DAVE WAHUS: People are
24 recreating closer to home.

25 MR. GREER TIDWELL: How can you get
1 any closer to home than that? 358

2 MS. JACKIE SHELTON: It's close. And
3 also, recreational activities relating to health
4 issues.

5 FACILITATOR DAVE WAHUS: Would you

6 expand on that just a little bit and help me better
7 understand what you're trying to say?

8 MS. JACKIE SHELTON: Well, if you walk
9 on the trails or if you run on the trails, how many
10 people do you run into, well, the doctor says I have
11 got to lose weight, that's a national trend, people
12 trying to lose weight, they are out running, jogging,
13 they are doing different things.

14 FACILITATOR DAVE WAHUS: So health
15 issues are becoming a driver of recreational
16 activities.

17 Other trends?

18 Would you run to the top up there
19 again and let's just review them, what we have here?

20 Population growth and user demand is
21 increasing.

22 Preservation of land by nonprofit --
23 preservation of land by nonprofit preservation
24 groups.

25 Loss of land -- increased loss of land
1 to development. 359

2 We have crumbling infrastructure.

3 The type of user demand is changing.

4 Individual activities are increasing.

5 Diminishing political priority of
6 recreation.

7 Funding issues, there's a lack of
8 sustainable funding that goes across the board.

9 A growing number of partnership
10 opportunities.

11 There's improvement and planning
12 tools.

13 A growing number -- improvement of
14 planning tools and goal setting tools, there are
15 better tools that are out there and the governments
16 are -- government agencies are better using these.

17 There's an increasing number of
18 volunteers.

19 Awareness of environmental issues is
20 increasing.

21 Public demand is more demanding on the
22 issues of natural resources management.

23 Segments of the population are unaware
24 of environmental issues.

25 People are living longer, and
1 therefore, they are changing some of recreation
2 needs.

3 There is a greater attraction to

4 resources near water for recreation.

5 Consumerism or commercialism is
6 becoming more attached to outdoor recreation.

7 People are recreating closer to home.

8 MS. JULIE HARDIN: You don't have
9 breast-feeding up there.

10 FACILITATOR DAVE WAHUS: The last one
11 is health issues are becoming a driver of recreation
12 activity.

13 MS. MILES MENNELL: That covers it.

14 FACILITATOR DAVE WAHUS: That will
15 cover it. Any other trends?

16 DR. KATE JACKSON: I might add one,
17 which is increasing dependence on local provision of
18 recreation.

19 FACILITATOR DAVE WAHUS: Okay.

20 MR. BRUCE SHUPP: Did we miss anything
21 that --

22 FACILITATOR DAVE WAHUS: Increasing
23 dependence.

24 MR. BRUCE SHUPP: David.

25 FACILITATOR DAVE WAHUS: Anybody over
1 here? Could we get a microphone so we can -- 361

2 MR. PHIL COMER: Since 9/11 that

3 really is -- has increased the trend.

4 MR. BRUCE SHUPP: State your name.

5 MR. RICHARD FLUTER: I'm Richard
6 Phleuger. I'm one of Ralph's 120 year old people. I
7 have got a couple of rec areas in my territory, one
8 in Middle Tennessee and one in North Alabama, and
9 these are heavily used areas. They include swimming
10 beaches, and five years ago there were no Hispanics
11 on the swimming beaches and today you have -- over
12 half the people who come are Hispanics. So I think
13 that's an increasing trend. It was kind of touched
14 on yesterday on presentation.

15 MR. BRUCE SHUPP: Ethnic change.

16 FACILITATOR DAVE WAHUS: I think
17 that's happening across the southeast and maybe
18 farther.

19 Any others?

20 Okay. We will not stand here and wait
21 a long time, but if -- we will go on to the next
22 question, but as we have -- as we get started on the
23 discussion of the next question, if there is a trend
24 that occurs to you, speak up and we will go back and
25 add it. We certainly don't want to lose anything
1 that might come to mind.

2 What should be the most critical
3 elements of TVA's recreation strategy?

4 Yes, Karl.

5 MR. KARL DUDLEY: Serious
6 consideration of access fees, and let me say
7 something about that.

8 FACILITATOR DAVE WAHUS: Serious
9 consideration of access fees.

10 MR. KARL DUDLEY: In my area we serve
11 Shilo National Military Park and also Pickwick
12 Landing State Park. In the last few years Shilo
13 Military Park has decided to start charging a nominal
14 access fee, and Pickwick Landing, of course, does
15 not.

16 But one of the things Shilo has
17 mentioned is that it cuts down on a lot of the
18 through traffic, the windshield weekend traffic
19 that's not serious traffic, and it's helped them in
20 the maintenance of their roads and their litter.
21 They have noticed a significant decrease in litter
22 because the people that pay seem to come there for
23 the benefit of the national park. People that are
24 passing through and throwing out beer cans and just
25 riding through there to see who's there is still

1 available at Pickwick Landing State Park.

2 So I just believe there's some way
3 that we should, you know, implement fees associated
4 with recreation. People pay for everything else, and
5 I think they would be glad to pay for that. And part
6 of my background for that is that my son's a park
7 ranger, so I hear it up front and close, but this is
8 a big issue for me, you know, we need to pay.

9 MS. MILES MENNELL: Surveys, that's
10 something we heard a lot about today is surveys.

11 FACILITATOR DAVE WAHUS: Public
12 surveys.

13 MS. JULIE HARDIN: Slash public
14 participation. Preservation of land.

15 FACILITATOR DAVE WAHUS: Preservation
16 of land?

17 MS. JULIE HARDIN: Yes.

18 FACILITATOR DAVE WAHUS: Preservation
19 of land. We're not making any new land, so we have
20 to preserve what we have.

21 MR. BRUCE SHUPP: A question for TVA
22 staff, and if the answer is what I think it is, then
23 I will add things, but are there any formal
24 relationships between the TVA, the watershed team and

25 all the other partners in the recreation activities?
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1 I know you interact with partners continuously, but
2 are there any formal ways that you can -- you need
3 to -- on a reservoir-by-reservoir basis?

4 MS. BRIDGETTE ELLIS: By formal
5 relationship are you talking about --

6 MR. BRUCE SHUPP: Like twice a year
7 you meet with the partners.

8 MS. BRIDGETTE ELLIS: Not
9 systematically. We do not meet on a systematic
10 basis, but we do have lease arrangements with marinas
11 that we meet with them and see if they are in
12 compliance with their lease and the contract that
13 they are under, but there isn't any specific
14 reservoir-wide recreation-based meeting.

15 What we do is we meet with a lot of
16 the lake user associations and work them with goals
17 that they have for meetings about issues that they
18 may have on the reservoirs.

19 MR. BRUCE SHUPP: And I guess would
20 add, explore the concept of systematic meetings
21 between recreation partners for each reservoir.

22 MR. JIMMY BARNETT: Bruce, I would
23 like to add to that, just between the existing users

24 of the lakes but also the political bodies, like
25 cities and counties, governments up and down through 365
1 there because people fuss at them and they really
2 need some education about the river similar to the
3 same education that we have gotten from some
4 excellent presenters.

5 I guarantee you, my city doesn't know
6 all of this, and yet, they have told me that they
7 think that TVA should help them out more. Well, they
8 need to understand how TVA might be able to help and
9 that way they would, I guess, be critical in a more
10 positive manner.

11 FACILITATOR DAVE WAHUS: Did we
12 capture your thought?

13 MR. JIMMY BARNETT: Yes. Miles.

14 MS. MILES MENNELL: I thought an
15 important point that was made repeatedly yesterday
16 was the emphasis on outsourcing but never outsourcing
17 one's core mission. It's important to outsource but
18 never outsource the core mission. Another --

19 FACILITATOR DAVE WAHUS: Let me --
20 help me capture it up there before you go on to --

21 MS. MILES MENNELL: Outsource but
22 never outsource core mission.

23 FACILITATOR DAVE WAHUS: Okay. We got
24 it. Go ahead.

25 MS. MILES MENNELL: And then the other
1 point that was made repeatedly, and I think it's very ³⁶⁶
2 important to any endeavor, is providing customer
3 satisfaction and service.

4 FACILITATOR DAVE WAHUS: Provide
5 customer satisfaction and service.

6 MS. JULIE HARDIN: Miles, what does
7 outsource but not the core mission mean?

8 MS. MILES MENNELL: Well, it means
9 like you might job out to somebody to manage a marina
10 but you still maintain the land. It just means you
11 hire people outside of TVA, for example, to do
12 whatever, but you never give up your responsibility
13 or management of the core mission.

14 MS. JULIE HARDIN: I see.

15 FACILITATOR DAVE WAHUS: Or you might
16 contract to cut the grass because that's not one of
17 your central core missions.

18 MS. MILES MENNELL: But you're telling
19 where.

20 FACILITATOR DAVE WAHUS: You're
21 telling where and how often, et cetera.

22 MS. LAURA DUNCAN: I did not get the
23 last one.

24 FACILITATOR DAVE WAHUS: Let's stop
25 here. We were just getting a definition and 367
1 understanding of what outsourcing meant. So it was
2 not an additional one.

3 MS. MILES MENNELL: Customer service.

4 FACILITATOR DAVE WAHUS: Add customer
5 satisfaction.

6 MS. MILES MENNELL: Customer service
7 needs to be a priority.

8 FACILITATOR DAVE WAHUS: Okay. Lee.

9 MR. LEE BAKER: You know, something is
10 still kind of eating at me on the funding issue and I
11 want to comment a little bit on that only because
12 Karl beat me to it.

13 I really do think at the core of all
14 the problem is the sustainable funding of some nature
15 and some sort, but also in that thought is, you know,
16 I noticed Georgia Power, the difference between their
17 revenue and their expenses was \$200,000, you know,
18 that -- I don't think the ratepayers have a problem
19 with \$200,000, but it seems though the difference in
20 ours is \$6 million.

21 So along that line, I also recognize
22 there's economic value, and effort is made on the
23 part of the power industry to bring economic value to
24 our county or to our valley and I am not opposed to
25 that, but I think -- I do think within that funding
1 vehicle we need to -- if you can capture all of this,
2 you're really good. Within that funding vehicle I
3 would like to see -- I would like to see some feeling
4 that the funding is, in fact, going -- you know, if
5 it's fees or whatever, that it does, in fact, go
6 right back into the project to improve and maintain.

7 MS. MILES MENNELL: So that it's
8 dedicated.

9 MR. LEE BAKER: Right. So that it's
10 dedicated, not just in a pot. And then the other
11 thing that I almost lost --

12 FACILITATOR DAVE WAHUS: Let's make
13 sure up here, establish sustainable funding, and that
14 will -- and then something about to ensure -- and
15 ensure that user fees are reinvested in the
16 recreation projects, is that what you're saying?

17 MR. LEE BAKER: Yes. Right. Just so
18 I don't seem like some of the other groups as far as
19 being single focused, because I want to be fair about

20 it, I think evaluating and making a proper
21 determination of -- and I think the ROS has done this
22 in large part, although we have heard speakers that
23 claim it didn't, but make a similar -- from the power
24 funds a similar investment in the economic value of
25 recreation that you make in the other economic venues
1 throughout the Valley, you know, I am not -- 369

2 FACILITATOR DAVE WAHUS: So determine
3 the value, the economic value?

4 MR. LEE BAKER: Yeah, the proper
5 economic value, not one little lake owners' group,
6 what they think the value is because obviously they
7 are prejudice, but the overall value you could
8 justify putting some amount of money into that in the
9 same way we justify recruiting in industry. So, you
10 know, I don't want to suggest that I don't think
11 power or power users have any responsibility, they
12 do.

13 MR. PHIL COMER: You're saying to
14 quantify it like you do industrial development?

15 MR. LEE BAKER: Quantify it. Thanks,
16 Phil. Put it on a par, I am not opposed to putting
17 it on the par.

18 MR. PHIL COMER: I'm delighted to hear

19 Lee say that, he's come a long way.

20 FACILITATOR DAVE WAHUS: So even as we
21 identify the economic impact or value of power --
22 hydropower and navigation and flood control, you
23 would like to see what the economic value of
24 recreation is so we can look at it and compare it and
25 legitimately --

1 MR. PHIL COMER: And flood control, I 370
2 think we ought to quantify flood control and see
3 what, you know, fees might be attached to Chattanooga
4 to help pay for flood control, you know, that's been
5 a given for so many years that we lose sight of the
6 fact that many of us in the upper end of the Valley
7 have been paying for that flood control for 70 years.
8 So maybe they should be assessed for this, speaking
9 of the fee schedule.

10 MR. LEE BAKER: I wouldn't disagree
11 with that.

12 FACILITATOR DAVE WAHUS: Any other
13 thoughts?

14 MS. JACKIE SHELTON: I would like to
15 include long-range planning for stewardship of public
16 land as it relates to recreation. I make this point
17 because in talking about boat docks and places that

18 TVA has turned over to people and they go back and
19 they are not run properly, we need to keep in mind
20 some long-range plans, some way to take care of
21 situations like that. I would like to see 10 years
22 down the road, for instance, 20 years down the road
23 some sort of plan that we keep in mind.

24 FACILITATOR DAVE WAHUS: 10 to 20
25 years.

1 MS. JULIE HARDIN: Like Billy Minser³⁷¹
2 was asking for.

3 FACILITATOR DAVE WAHUS: Okay. Greer.

4 MR. GREER TIDWELL: The most critical
5 element of TVA's recreation strategy would be one
6 of -- establishing recognized comprehensive goals.
7 It seems like we're talking about planning, but we
8 haven't decided what we're planning for or a strategy
9 but a strategy for what.

10 FACILITATOR DAVE WAHUS: Recognize
11 comprehensive goals.

12 MR. GREER TIDWELL: Public needs to be
13 in there. Establish recognized public comprehensive
14 goals.

15 FACILITATOR DAVE WAHUS: Put public
16 before the word comprehensive. There you go.

17 MR. GREER TIDWELL: With -- we will
18 need some help on this, but what we're looking for
19 there is something that has some longevity to avoid
20 the lack of trust, such as Mr. Minser mentioned, that
21 comes to the Board when they do something that they
22 can't point back to a set of goals and plan for how
23 they are going to manage the land. When they can't
24 go back to that public document, the public loses
25 trust.

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1 I can say that because I don't know
2 where Rarity Point is. I don't know if it's good or
3 bad, whether we lost a bird or gained a fish, but I
4 do know there's a loss of trust, and it's because
5 they don't have that recognized public, sustainable,
6 comprehensive goals.

7 FACILITATOR DAVE WAHUS: You don't
8 know if you ever got there if you don't know where
9 you're going.

10 MR. GREER TIDWELL: Right.

11 FACILITATOR DAVE WAHUS: Any other
12 critical elements? I'm sorry. Karl.

13 MR. KARL DUDLEY: I may need some help
14 with this, but I think we need to get -- in long-term
15 strategy we need to remarket the recreation and some

16 other items and go back to Congress to get some
17 funding.

18 I hear -- you know, we heard so many
19 presenters yesterday say their funds were being held
20 and reduced somewhat. We don't get any funds for
21 this, and I think we need to revisit this because
22 this is something that the people in the Valley seem
23 to want. There seems to be a demand for recreation,
24 just like there's a demand for flood control.

25 Recreation is something, I think, we
1 could take to Congress maybe easier than we have some³⁷³
2 of these other projects because it seems to be more
3 popular than it used to be, recreation, the demand
4 for it.

5 I think one of the things we learned
6 in Land Between the Lakes was we don't need to give
7 up anything else in the Valley. I think we have
8 given up enough. I think Congress needs to be, you
9 know, made aware of this and maybe we partner with
10 some of these groups that we see that come up here.
11 They have a passion and they have a goal, and they
12 may be single items individually, but collectively
13 they have a lot of clout.

14 We heard from Senators from North

15 Carolina and Tennessee, and we know what kind of pull
16 those folks have. So if we can help their situation
17 some, maybe Congress would reconsider, because this
18 is expensive. I didn't know it was \$6 million, but
19 we know -- if we do anything to improve recreation in
20 the Valley \$6 million is going to have to be
21 increased significantly.

22 Is that a fair statement, Kate?

23 DR. KATE JACKSON: It depends on what
24 you want to do and how you want to do it.

25 MR. KARL DUDLEY: Okay. I think 374
1 there's already a leaning, you know, in ROS to give
2 Phil some more water in his lake, you know. I have
3 surveyed 50 something thousand people that live in
4 our service area, there's not a single one of them
5 that wants to pay for Phil's lake level. Every one
6 of them told me without a doubt we don't want to pay
7 for that, we want someone else to pay for that. We
8 do not want it on our electric bill.

9 MR. PHIL COMER: That's how we feel
10 about the flooding in Chattanooga.

11 MR. KARL DUDLEY: Can I ask a
12 question?

13 FACILITATOR DAVE WAHUS: You may ask a

14 question.

15 MR. KARL DUDLEY: Is there no -- is
16 there no appetite whatsoever within TVA for us to go
17 back to Congress? I am talking about the
18 distributors, the residents of the Valley. What is
19 the feeling inside TVA at this point in time?

20 DR. KATE JACKSON: The feeling is that
21 we have federal law that instructs us to pay for
22 things that were formerly considered to be essential
23 stewardship via power revenues and other sources,
24 that's the law. We do not intend to request a change
25 in that law.

1 MR. KARL DUDLEY: That law was passed³⁷⁵
2 in '97.

3 DR. KATE JACKSON: '98.

4 MR. PHIL COMER: March of '97.

5 MR. BRUCE SHUPP: A FICA committee
6 cannot lobby. Individually you can.

7 FACILITATOR DAVE WAHUS: Lee, you had
8 a comment. Did you get your answer?

9 MR. LEE BAKER: You know, we're not
10 supposed to debate this, are we?

11 While I somewhat agree with Karl, and
12 it's been like being slapped away from the table, if

13 it were possible to do it through some other vehicle
14 such as fees, and, you know, those types of things,
15 because even if you go back to Congress or even if
16 you go to local government, every time you turn
17 around they are going to be snatching it away from.

18 You know, there's always going to be a
19 crises, and then you know how politicians are, when
20 you have to go beg, they want something for it. So I
21 would rather -- you know, in an ideal world, you
22 know, I would rather see it sustain itself because
23 then you could count on it being there in a business
24 fashion as opposed to being a political entity.
25 That's the reason public power is struggling right
1 now with what's going on in our industry is because ³⁷⁶
2 we're a political entity and we live and die by
3 politics, and I would rather run like a business. It
4 probably can't happen, but --

5 FACILITATOR DAVE WAHUS: Phil, do you
6 have anything? Those of you that are quiet I am
7 going to pick on you. Any other thoughts? Most
8 critical elements of TVA's recreation strategy.

9 Yes, Greer.

10 MR. GREER TIDWELL: Another one I
11 would add I need some help defining how to put this

12 on our list, but for success the power division has
13 got to fully support whatever the recreation strategy
14 is, as does the forestry division, as does every
15 other division. To me that's a critical element of
16 defining a strategy is making sure that somehow you
17 have got that buy-in throughout the organization and
18 that commitment that it's part of the overall
19 organization's plan and goals.

20 FACILITATOR DAVE WAHUS: You need
21 broad organization support of the goal, of the
22 established goals.

23 MS. MILES MENNELL: Greer, with the
24 strategic initiative and plan that TVA is putting
25 together now, this should be a key component of that
1 overall. 377

2 MR. JIMMY BARNETT: Greer, if I could
3 make a comment along that line. Being one of the
4 power distributors and so forth and having heard a
5 lot of the conversation about various users around
6 the Valley, those that are close to the river
7 recognize a lot of things. Those that aren't close,
8 they don't. There's some that really recognize it.

9 Austin does an outstanding job and has
10 done an outstanding job. Some of the others around

11 the Valley, and I won't name any names, most of my
12 peers around here know who I am talking about, have
13 very little feel for things that happen around the
14 river, that's a general way of putting it.

15 To get -- to gain support, widespread
16 support we're going to -- it's going to take some
17 widespread educational activities, and maybe Kate can
18 come and put on seminars all around the Valley. It's
19 also going to take some talk by those of us who are
20 around the river that do discuss it. So we will need
21 help in setting up -- because a lot of them would
22 even resist being educated about it, time value.
23 It's not very valuable, therefore, why should I waste
24 my time even listening to it?

25 Now, if we went to them and said we
1 were fixing to spend \$10 million, or let's make it 378
2 even worse, let's say we're going to spend a half
3 million dollars on recreation, we'd get their
4 attention and maybe we could talk to them and say,
5 well, you know, what about, you know, let's bump it
6 on up to \$100 million or something like that, but
7 it's the education process on what's in it for them.
8 Everybody goes back to that.

9 I don't know care who you are, you go

10 back to what's in it for me, either it's ego or money
11 or prestige or, hey, I am taking it out of my
12 customers and I have got this real feeling for my
13 customers and I don't want them paying more than they
14 have to, so I don't care what, you know, Karl does
15 over here to his system or Bill or Lee over here, and
16 there is some of that out there.

17 I mean, I'm for my system first, I
18 have got to be, that's who hired me. What's the
19 overall impact on the customers of my system of
20 everything that's done is what I am looking at. Is
21 it going to decrease their opportunities to do
22 something else, like recreate?

23 MR. LEE BAKER: Jimmy, let me comment
24 on that too because I do think it goes back to the
25 point that I was trying to make earlier, whatever the
1 expense or whatever the outlay of cash is, it has to³⁷⁹
2 represent the overall value to the region even though
3 all of our fellow distributors, even though they may
4 or may not be on or near a body of water, all of
5 them, I think, almost without exception, possibly a
6 few political appointees, all of them are business
7 people, and so I think that's critical.

8 You know, just like if I were going to

9 approach to recruit a major industry and I am going
10 to spend money to do that, it's not that hard if you
11 can show that that turns value to the overall system.
12 But just to throw money at an industry, whether
13 that's recreation or ABC Steel Mill, that doesn't
14 have a corresponding value to the system. I think
15 that's one of the areas we have got to try to
16 quantify, and you have got to do it objectively, not
17 by the person who wants water next to his house
18 because they are not looking at the overall thing.

19 You look at the ROS, and if we
20 honestly wanted to improve the overall economy, the
21 navigation piece is it, but all of a sudden we're not
22 as interested in the overall economy, we're
23 interested in satisfying all the different elements.
24 And I am not opposed to that, I think it has to be a
25 blend.

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1 When we first started this thing, we
2 were told if you'd only raise the lake levels the
3 economy would improve significantly and life would be
4 wonderful. Well, the facts didn't bear all of that
5 out.

6 So I think we have got to identify
7 what the value of recreation is, and then, you know,

8 as we compete with other suppliers it should be an
9 element that adds value to TVA, you know, we have got
10 this resource and it creates certain values.

11 Should the -- it should never be an
12 incentive for any of us distributors to say, well,
13 let's go see if we can buy cheap power somewhere else
14 because TVA is satchelled with all of these other
15 costs, you know, that shouldn't be a burden around
16 their neck to stay competitive in an open market.

17 FACILITATOR DAVE WAHUS: Miles.

18 MS. MILES MENNELL: So if you identify
19 the value of recreation, and this is really a
20 question, how do you separate that out from
21 quality-of-life issues because they are not exactly
22 the same?

23 MR. LEE BAKER: It's hard.

24 MS. MILES MENNELL: The quality of
25 life, I think, is something that we need to be paying
1 a lot of attention to also as our population
2 continues to grow and grow and grow and grow and
3 opportunities for just space begin to decrease, and I
4 don't --

5 MR. BILL FORSYTH: Quality of life
6 doesn't have an economic value, but there's a value

7 there to it.

8 MS. MILES MENNELL: So how do you --

9 MR. LEE BAKER: But if I go to buy
10 power from AEP or Duke --

11 MS. MILES MENNELL: No. I understand.

12 MR. LEE BAKER: -- all I am interested
13 in is what the kilowatt hour cost is. I am not
14 concerned about what their quality of life is.

15 MS. MILES MENNELL: Right. If I am
16 trying to muddle through, and I am just one little we
17 the people, I care a lot.

18 MR. LEE BAKER: Yeah, I understand
19 that, but that's not going to make TVA more
20 competitive if that's not properly weighed.

21 MS. MILES MENNELL: We agree. I just
22 think that we need to look at quality of life, too.

23 MR. GREER TIDWELL: You said we agree,
24 but I'm not sure I do agree because I think when you
25 talk about TVA and competitiveness I get back to the
1 core issue that I think of each time I come to these
2 meetings, which is TVA's survival, not just
3 competitiveness on selling power.

4 But if the bundle of services that is
5 TVA is to continue to exist, it has to have the trust

6 and support of the people in the Valley or
7 competitiveness won't be an issue, other than
8 whatever components are out there generating
9 electrons and putting them on the grid, and each one
10 of those compete separately and the other bundle of
11 services gets dispersed out to other agencies.

12 MS. MILES MENNELL: But we're talking
13 about TVA's original core mission, not just the
14 production of power.

15 FACILITATOR DAVE WAHUS: Go ahead.

16 MS. MILES MENNELL: Flood control,
17 navigation, resource management.

18 FACILITATOR DAVE WAHUS: Just a
19 moment, please. Okay. Go ahead.

20 MR. GREER TIDWELL: Exactly, Miles and
21 Lee. And that's why when you brought up the
22 comparison to AE Power or Duke it's such a concern
23 that if we focus purely on the competitiveness with
24 those entities that don't have a broader scope of
25 purposes from our original core purposes, we end up
1 with apples and oranges comparison if we still want 383
2 to maintain TVA as an entity with that broad bundle
3 of core purposes. Some of that -- some of those
4 dollars for electrons, Congress has told us, has to

5 go into supporting these other core purposes.

6 MS. MILES MENNELL: So we would say
7 then that one of the most critical elements of TVA's
8 recreation strategy should be maintaining its
9 original core mission for resource stewardship.

10 MR. JIMMY BARNETT: While we're
11 debating that, let me throw one other thing in the
12 same debate, and I'm not speaking -- trying to
13 interpret what you said, Lee. I will just give you
14 my standpoint.

15 Building on what I heard Lee say, if
16 four or five systems, large systems, let's say
17 Memphis and Nashville and Chattanooga and Knoxville
18 all got out of the TVA system, then what about the
19 rest of us and all of our customers, if TVA is
20 saddled with paying for all of this, our costs just
21 went way up, and that is a real point. If we drive
22 people or drive systems away for whatever reason they
23 want to go away, economics or whatever, we want to
24 get ahead.

25 There are those out there that, you
1 know, would like to shop for power, think maybe they 384
2 get could get it cheaper. I disagree over the
3 long-term, but I don't know what's going to happen in

4 TVA with energy legislation, then the rest of us pick
5 up more, so that has to be a critical issue.

6 It needs to be set up so that it can
7 be -- it will have to be flexible given the
8 economic -- given the political realities with the
9 energy legislation. So it can't -- it would be nice
10 if you could say we're going to do this plan and it's
11 going to be in place and we ain't going to change it
12 for 20 years, that's not reality.

13 MR. KARL DUDLEY: I think --

14 MR. PHIL COMER: Can I say something?

15 FACILITATOR DAVE WAHUS: Karl started.
16 Let Karl finish and then Phil.

17 MR. KARL DUDLEY: I think it was
18 really telling yesterday that Glenn Ivey from Georgia
19 Power said they would not be in the recreation
20 business were they not forced to by their licensing
21 agreement. And just to follow up on what Jimmy said,
22 this is not hypothetical, there's four systems that
23 have given notice to TVA that they will be
24 considering leaving now.

25 In fairness to TVA, when TVA comes to
1 those four systems in two or three years and makes a
2 bid to retain their contract with them, TVA is going

3 to be bidding a price of energy that's going to
4 include all of these peripheral services that we keep
5 adding to it. That includes the lake level increase
6 and the recreation, and who knows what else is going
7 to come down the pike in the next year or two, and
8 that's not fair for TVA to have to compete with that
9 when the other companies are going to come to them
10 with bear energy costs, you know, the price is going
11 to be significantly different, I'm afraid. So it's a
12 real case for TVA's survival in the next few years.

13 FACILITATOR DAVE WAHUS: Phil?

14 MR. PHIL COMER: Well, I have been
15 sitting here listening to the two distributors speak
16 as though the for profit power companies do nothing
17 but produce power, and that's obviously not true.
18 You-all -- both of you have been making comments as
19 though, well, gee, we can buy power from Duke Power
20 or whomever just because that's all they have to do
21 is produce power, that really is not true, and you
22 know that.

23 You heard me ask the question
24 yesterday of the Georgia Power man, and I would like
25 to put a lot of -- you know, this is a law that was
1 passed in 1986, that you can't get a hydro dam

2 relicensed without giving equal consideration to fish
3 spawning, fish habitat, and recreation, equal
4 consideration. That's why the man from Georgia
5 yesterday, you know, stated that they were spending
6 so much money. They have so much income and a
7 \$200,000 deficit, et cetera, et cetera.

8 All of the private power companies,
9 certainly those -- certainly all of those who have
10 hydropower have to -- since 1986 that became an
11 amendment to FERC, a firm amendment, one which I
12 personally would be delighted if it would legally
13 apply to TVA. I think it should. I do not
14 understand to save my life how TVA, you know, is
15 immuned from FERC. I think it should be covered by
16 FERC. I think it should be covered by that
17 amendment.

18 And if deregulation ever really comes
19 to pass that -- equalizing the playing field is going
20 to have to take place one way or the other, but
21 please, you know, quit talking as though all of the
22 for profit power companies do nothing but just pay
23 for the bear costs of generating electricity, that
24 simply is not true, and you-all keep talking as
25 though, you know, that is true.

1 They have recreation, they have
2 campgrounds, you know, they have -- the same as TVA
3 always has. So getting back to the core of business
4 of TVA is not merely flood control generating
5 electricity and so forth. It includes that other
6 phrase, thank God A. E. Morgan included when he wrote
7 the law, and he did write most of the law, and he
8 included this phrase, and that's the social and
9 economic benefit to the region, that encompasses
10 things like that recreation.

11 The other private for profit companies
12 have had to begin doing their share or they will not
13 be relicensed. So, you know, give up this notion as
14 though TVA is uniquely being burdened all of a sudden
15 with recreation, that for God's sake is not true.

16 MR. JIMMY BARNETT: I agree with you
17 to the extent --

18 MR. PHIL COMER: Well, you know, I am
19 getting a little tired of hearing this.

20 FACILITATOR DAVE WAHUS: Two more
21 comments on this issue and then we'll go back to
22 adding items -- critical elements to the strategy.

23 MR. JIMMY BARNETT: How many dams does
24 Enron -- did Enron have?

25 MR. PHIL COMER: We're not talking 388
1 about Enron.

2 MR. JIMMY BARNETT: You are too when
3 you start --

4 MR. PHIL COMER: You're not --

5 MR. JIMMY BARNETT: -- talking about
6 power when you get into deregulation.

7 FACILITATOR DAVE WAHUS: One at a
8 time, please. One at a time. I will give you all a
9 chance to talk but one at a time.

10 MR. JIMMY BARNETT: Let me finish my
11 comment here. It's not just the Georgia Powers or
12 the Duke Powers, they have some hydro, and I agree
13 that he stated they had to do things by law and it
14 wouldn't have a -- didn't have the law.

15 I am saying there are other entities
16 out there that I can go and buy power from or I can
17 go and buy gas from that doesn't have this,
18 therefore, TVA would be burdened and disadvantaged
19 with a lot of entities that I can go buy power for
20 and probably will be able to that have no dams. They
21 have no -- they get generation maybe from natural
22 gas, which is the cleanest thing they can get it from
23 these days or so at least everybody says that. I

24 think hydro is one of the cleanest and I like nuclear
25 power, but still they don't have the recreation thing
1 out there and we would be saddling TVA with something³⁸⁹
2 that they do have now other than through these things
3 that we're talking about now in the Act. And, yeah,
4 I think we should spend something out there, but to
5 say that we're on par with everybody is not so.

6 FACILITATOR DAVE WAHUS: Lee.

7 MR. LEE BAKER: Yeah. You knew I
8 couldn't sit quiet about that. I don't have a
9 problem in the world with being on a par, but I don't
10 hardly see \$200,000 being on par with \$6 million.
11 Jimmy correctly points out these other entities, and
12 that's no more critical to me than Jimmy than Phil's
13 lake levels, which we have heard about from somebody
14 every time we have ever come together, and, you know,
15 politely listened and all of that.

16 So, you know, these are the things
17 that are important to us and the reason I am sitting
18 here. So, you know, \$200,000 is a lot different than
19 \$6 million, and I don't mind being on a par but that
20 ain't a par.

21 FACILITATOR DAVE WAHUS: Okay. Thank
22 you. Any other critical elements? I'm sorry. Phil.

23 MR. PHIL COMER: As a percentage of
24 the total capital investment or as a percentage of
25 the total sales, it really isn't that different. 390

1 MR. LEE BAKER: I would contend that
2 it probably is.

3 MR. PHIL COMER: No, I would contend
4 that it isn't.

5 MR. LEE BAKER: So we disagree.

6 FACILITATOR DAVE WAHUS: We will agree
7 to disagree at this point.

8 MR. LEE BAKER: Absolutely.

9 FACILITATOR DAVE WAHUS: Okay. Any
10 other critical elements that should be considered for
11 TVA's recreation strategy?

12 Well, let's review what we have got.
13 Would you go to the top of this, please, Laura?

14 Okay. Most critical elements, serious
15 consideration of access fees that would benefit
16 operations and maintenance.

17 The inclusion of surveys, public
18 surveys, public participation.

19 Need to preserve land.

20 Explore the concept of systematic
21 meetings between partners for -- of each reservoir.

21 Long-range planning for stewardship of
22 public lands for recreation, look 10 to 20 years out
23 into the future so we have a target.

24 Establish recognized public
25 sustainable and comprehensive goals to assist in
1 building public trust. Those two go along together. 392

2 Revisit congressional funding for
3 recreation programs, and there was some discussion
4 there as to who would best do that.

5 Consider funding sources other than
6 federal funding.

7 Self-sustainable program operated like
8 a business.

9 And the last four are broad TVA
10 support of recreation -- broad TVA support of
11 recreation program goals is needed.

12 Education of the general public across
13 organizations and education of the general public.

14 Identify value of recreation. This
15 goes back to the quantification, I believe.

16 And also, consider the quality-of-life
17 issues which are most difficult to quantify.

18 Are there any others?

19 Let's go to the next question. The

20 next question is a two-part question, and it starts
21 out with, what should TVA's recreation program look
22 like in five years? And the first part of that is,
23 which activities should have more emphasis, should
24 receive more emphasis?

25 And Miles, you have the opportunity to
1 be the first one to put something up there. 393

2 MS. MILES MENNELL: Well, I just
3 wanted to reiterate a point that was made yesterday,
4 which I think is really important, that when you look
5 at the total availability, we need to look at total
6 availability on a region-wide basis versus trying to
7 duplicate everything at every facility or site, and I
8 think that's an important prerequisite to our
9 discussion.

10 FACILITATOR DAVE WAHUS: Okay. So
11 looking at the total availability on a regional basis
12 should have more emphasis.

13 MS. MILES MENNELL: Instead of trying
14 to make everything the same.

15 FACILITATOR DAVE WAHUS: Instead of
16 making everything the same. Does that capture your
17 thought?

18 MS. MILES MENNELL: Yes.

19 FACILITATOR DAVE WAHUS: I hope if
20 we're not capturing your thoughts accurately you're
21 bringing me up short.

22 MR. BRUCE SHUPP: To do that -- to do
23 that, I think, the actions that would have to be
24 taken or what activity should receive more emphasis
25 would be partnering, planning, surveys, and analysis.

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1 FACILITATOR DAVE WAHUS: Partnering,
2 planning, surveys, and analysis. Okay. Those
3 activities would help --

4 MS. MILES MENNELL: As part of that
5 partnering, too, that's not just agencies, that's
6 stakeholders, all the various stakeholders.

7 MR. BRUCE SHUPP: Yeah. I think the
8 first step is agency and municipality planning to try
9 to set the broad goals that would drive -- you can do
10 a core mission, but to what degree do they do their
11 core mission, and that's the only way they are ever
12 going to define that is by working with partners.

13 We can help them get there as an
14 advisory group, but the partners are the ones that
15 have to say, look, we are not going to have any money
16 for that either. Let's figure out another way to do
17 it.

18 FACILITATOR DAVE WAHUS: Any other
19 activities that should be emphasized? Anything else
20 that should get more emphasis?

21 MR. GREER TIDWELL: Preservation of
22 the right to hunt on public lands.

23 FACILITATOR DAVE WAHUS: Okay.
24 Preservation of the right to hunt on public lands.

25 MR. JIMMY BARNETT: Amen.

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1 MR. BRUCE SHUPP: You mean on TVA
2 lands?

3 FACILITATOR DAVE WAHUS: Public lands?
4 TVA lands? TVA lands is what we're talking about.

5 MR. BRUCE SHUPP: That's all they can
6 do.

7 FACILITATOR DAVE WAHUS: Miles.

8 MS. MILES MENNELL: Well, I think
9 obviously facilities management is going to continue.

10 FACILITATOR DAVE WAHUS: I'm sorry.

11 MS. MILES MENNELL: I think obviously
12 facilities management is going to continue to be very
13 important.

14 FACILITATOR DAVE WAHUS: Okay.
15 Facilities management will continue to be important.

16 MR. LEE BAKER: You're meaning

17 maintenance there also, aren't you?

18 MS. MILES MENNELL: Yeah. And
19 infrastructure and all of that, yeah.

20 MS. JULIE HARDIN: I think also the
21 preservation of the public land domain.

22 FACILITATOR DAVE WAHUS: Preservation
23 of public land domain. Would you expound just a
24 little bit on that on what you mean to make sure that
25 I understand?

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1 MS. JULIE HARDIN: Well, I think we
2 have mentioned it before in our goals, just
3 preservation of lands so that we can have that
4 resource for recreating versus development and
5 residential.

6 FACILITATOR DAVE WAHUS: So you're
7 talking about not getting rid of lands?

8 MS. JULIE HARDIN: That's right.

9 MR. PHIL COMER: I would like to
10 follow that by saying that throughout the entire
11 history of TVA, TVA in particular, I don't believe,
12 and I don't find anything in the history of TVA that
13 I have read, and I have read extensively on this in
14 the last six years, that says that TVA was supposed
15 to buy land and just hold it forever. I mean, that

16 really is nowhere in TVA's history or in the
17 different periods.

18 They had great flexibility as to what
19 to do with the lands that they originally purchased
20 around these different reservoirs. And while I
21 personally, you know, have a tendency to want to say,
22 gee, I just hope they don't sell any more, and this,
23 that, and the other, that really is not in keeping
24 with the total mission that TVA has had.

25 They have every right, and I hope they
1 will continue to stand tall on the fact, they have ³⁹⁷
2 every right to evaluate when people come to TVA and
3 say, we would like to buy this and turn it into a
4 commercial enterprise, whatever that is, whether it's
5 a boat dock, whether it's an extension of an existing
6 marina or whether it is to put in a golf course in a
7 high-priced home development as on Rarity Bay or
8 what-have-you, that's part of the total overall
9 mission of TVA. I hope they do it carefully. I hope
10 they do it with great wisdom. Generally speaking, I
11 think they have, I really do.

12 If you want to read a specific case,
13 the entire purchase of land around Tellico Lake was
14 stipulated for the very purpose of it being resold to

15 develop a city. It even had a funny name. I can't
16 remember what the original name would be.

17 MS. BRIDGETTE ELLIS: Timber Lake.

18 MR. PHIL COMER: Thank you. I mean,
19 that was part of the whole thing was to create a city
20 called Timber Lake and to do it with General Electric
21 or Boeing, you had Boeing, I think Boeing was your
22 original partner for that, that's all part of the
23 history and the law of TVA.

24 When I hear all of these people say,
25 oh, we should preserve it. We're not the national
1 park. This isn't the U.S. Forest Service. Part of ³⁹⁸
2 the reason for having this land is to sell it at some
3 point down the pike profitably and carefully, not for
4 things that would be a degradation for the
5 communities, but if it can be a profit-making thing,
6 terrific.

7 FACILITATOR DAVE WAHUS: The value of
8 you all sitting around talking is that everybody has
9 the right to express their opinion.

10 MR. PHIL COMER: Thank you. And I am
11 not interested just in lake levels.

12 FACILITATOR DAVE WAHUS: Miles, you
13 had your hand up, and I know Greer did. Okay.

14 MS. MILES MENNELL: I forgot.

15 FACILITATOR DAVE WAHUS: Okay. Greer.

16 MR. LEE BAKER: I was also prepared to
17 applaud until you made your last comment.

18 MR. GREER TIDWELL: The idea I wanted
19 to put up there with a bullet beside it was, what
20 activity should receive more emphasis, more jet
21 free -- Jet Ski free zones.

22 FACILITATOR DAVE WAHUS: Jet Ski --
23 well, let's call them personal watercraft. Jet Ski
24 is a brand name.

25 MR. GREER TIDWELL: Okay.

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1 FACILITATOR DAVE WAHUS: Let's say
2 more TWC free zones, more TWC free zones. Okay.

3 MR. GREER TIDWELL: And now I would
4 like to comment on something a little deeper, like
5 what Phil was saying. You talked about the need for
6 evaluating those land purchases or land sales, and
7 the more emphasis that I see needed is there needs to
8 be a set of criteria that's publicly understood and
9 adopted by the Board for that evaluation and that's
10 what would generate more trust in the decisions that
11 are made, an open, transparent, publicly understood
12 set of criteria. I don't think we disagree.

13 MR. PHIL COMER: I agree with that
14 completely.

15 MR. GREER TIDWELL: The planning and
16 the goal setting is what seems to be missing.

17 MR. PHIL COMER: And with my limited
18 knowledge, I think TVA, generally speaking, has done
19 an outstanding job of that, I really do.

20 FACILITATOR DAVE WAHUS: Julie, you
21 had a comment.

22 MR. GREER TIDWELL: Well, I want to
23 capture that up there about the recreation program.
24 The activity that should receive more emphasis is
25 open, transparent establishment of criteria and goals
1 for land management. 400

2 FACILITATOR DAVE WAHUS: Critical
3 goals for management. Okay. Other comments?

4 MS. LAURA DUNCAN: Delete that last
5 one then.

6 FACILITATOR DAVE WAHUS: No.

7 MS. LAURA DUNCAN: Ability to manage.

8 MR. PHIL COMER: Ability to manage and
9 sell land.

10 MS. LAURA DUNCAN: Okay.

11 MR. PHIL COMER: Manage and sell,

12 s-e-l-l.

13 FACILITATOR DAVE WAHUS: We will worry
14 about spellcheck later.

15 Any other -- anything else?

16 Let's go to the last question before
17 lunch and at least get started on it. The question
18 is, what activities should receive less emphasis?

19 MR. GREER TIDWELL: Personal
20 watercraft, and I have ridden them and enjoyed them,
21 but there needs to be some limit.

22 MR. JIMMY BARNETT: Someone suggested
23 target practice.

24 MR. PHIL COMER: Seriously, I think
25 there should be as much attention given to the 401
1 personal watercraft problem as there is to the
2 four-wheel drive that are creating erosion on your
3 land, they need controlling just as much as your
4 four-wheel drivers do. I have not ridden one and I
5 am not going to.

6 MR. GREER TIDWELL: Well, they are
7 fun, but there's a place that they shouldn't be.

8 FACILITATOR DAVE WAHUS: What should
9 receive less attention or less emphasis? Did you
10 want to put personal watercraft up there?

11 MS. MILES MENNELL: That should
12 receive more attention.

13 MR. GREER TIDWELL: We've got it in
14 the more attention, which is where we needed it.

15 MR. JIMMY BARNETT: I have a question,
16 I guess, for Kate and the staff. Is there anything
17 that you think should receive less emphasis? I don't
18 really see anything that should receive any less
19 emphasis myself or --

20 DR. KATE JACKSON: Well, I guess my
21 preference would be that you tell me that.

22 MR. JIMMY BARNETT: I figured you
23 would say something that, but I didn't know if there
24 is something that you just think is a total waste of
25 time, and, you know, I may not think so, but if
1 you-all think something is a total waste of time, I 402
2 would be interested in that.

3 DR. KATE JACKSON: How about weed
4 control?

5 FACILITATOR DAVE WAHUS: That got
6 somebody's attention. I heard a big gasp.

7 MR. JIMMY BARNETT: Did you just hear
8 that?

9 MR. BRUCE SHUPP: I think I will move

10 back up to the microphone.

11 MR. JIMMY BARNETT: Actually, I sort
12 of agree.

13 FACILITATOR DAVE WAHUS: I think you
14 got the reaction that you were looking for. What
15 should receive less attention, less emphasis? What
16 should receive less emphasis? We're talking about
17 activities here. When we look at the program in the
18 next five years, what should receive -- yes, Jackie.

19 MS. JACKIE SHELTON: Well, when you --
20 I think that's a difficult question to answer right
21 now because we're going to do surveys and we're going
22 to do all of this, and those surveys, that, in
23 itself, should indicate to us what should receive
24 less emphasis.

25 I can't think how could you pick out
1 something unless past experience, Kate, have you had ⁴⁰³
2 past experience of something -- an area that you
3 provided that people just aren't using?

4 DR. KATE JACKSON: Sure. I think you
5 heard Ralph talk this morning about numerous things.
6 We used to do lots of recreation planning. We used
7 to give away technical expertise for recreation
8 planning. We used to landscape architecture work.

9 We used to manage multiple places for access points
10 that we don't manage anymore. We did used to do
11 trash pickup that we do not do anymore.

12 We used to -- not to say anything bad
13 about the guys who were doing all of the maintenance,
14 if it was Tuesday we mowed, we don't do that anymore.
15 We have zones on the dam reservations and we don't
16 mow them anymore. We have dramatically changed the
17 emphasis and the expenditure partly -- for a couple
18 of reasons, partly to reduce costs and partly because
19 of a recognition that local controlled and local
20 input over setting priorities for providing local
21 recreational opportunities and access to the water is
22 better managed and better controlled and priorities
23 are more effectively set at the local level.

24 For that reason, and budgetary
25 reasons, over the past 20 years we have off-loaded
1 and outsourced and closed down and transferred lots 404
2 of responsibility and properties or control for
3 properties with established criteria for maintenance
4 of standards based on which TVA would operate those
5 facilities. We will take them back. We will rebid
6 them out if the people are not managing them
7 appropriately, but there are many things we don't do

8 now that we used to do.

9 MS. JACKIE SHELTON: But you still --
10 TVA still maintains that ability to control those
11 areas that get out of hand.

12 DR. KATE JACKSON: It depends on how
13 you use the word control and it depends on what you
14 mean out of hand. No, we do not have the opportunity
15 to restrict personal watercraft, that's TWRA's
16 responsibility. That does not mean that we could not
17 partner with them to offer some exclusion zones for
18 sailing versus kayaking versus canoeing versus -- we
19 could potentially work on that, and we did, I think,
20 talk about that in a previous meeting with respect
21 to, you know, some of the things that we might look
22 at with respect to the ROS.

23 There may be opportunities there, but
24 we don't have the authority for that. Yes, we can
25 tell people you can't ATV on the land that we own,
1 but that water -- that flat water is not ours. That 405
2 doesn't mean that we can't play a role in that,
3 Greer, but I can't fix that one for you.

4 FACILITATOR DAVE WAHUS: Bruce.

5 MR. BRUCE SHUPP: Under ideal
6 conditions I think as the land baron, so to speak,

7 and the land --

8 FACILITATOR DAVE WAHUS: The land
9 baroness in this case.

10 DR. KATE JACKSON: There's a name we
11 haven't been called before.

12 MR. BRUCE SHUPP: It wasn't directed
13 at you. As the major landowner, under ideal
14 conditions you would like to be able to say to your
15 partners, with your partners, look, we're going to do
16 capital improvements on the land. We're going to
17 help you with construction of facilities, but we are
18 not going to provide the staff to maintain these
19 facilities and operate the facilities.

20 I think that's -- under partnership
21 negotiations that's where I would want to go. I
22 don't think I would want to provide campground staff
23 and staff to do garbage pickup, that would all be
24 negotiated away with the understanding that as
25 partners we would have to help with the major
1 expenses -- some of the major expenses on facility 406
2 improvement. That, again, goes back to the need for
3 sitting down with the partners and planning this out.

4 Talking about your weed control, you
5 know, you have been involved in that Guntersville

6 project now for four or five years and still haven't
7 resolved the funding issue, and it's because at the
8 executive level it hasn't been determined to be
9 important enough to resolve. I mean, that's the way
10 I look at it.

11 It's a matter -- the planning for the
12 operational part was done, but the funding planning
13 hasn't been done. And it can't be done by staff, it
14 has to be done by executives.

15 So, you know, it's a matter of where
16 you deal with your partners and how you deal with
17 your partners, and I think on-the-ground operations
18 should be a lot of partner responsibility and
19 diminish TVA's responsibility.

20 FACILITATOR DAVE WAHUS: Put the words
21 "and operation" in.

22 MR. BRUCE SHUPP: That's the only
23 place I could see where with the list of things we
24 wanted to see increased where there could be a
25 diminished role.

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1 FACILITATOR DAVE WAHUS: Did we
2 capture your thought up there?

3 MR. BRUCE SHUPP: Operational and
4 maintenance staff, yeah, that's good, close enough.

5 FACILITATOR DAVE WAHUS: Put A-L on
6 operation. Thank you. Any others?

7 DR. KATE JACKSON: Before we break,
8 can I just offer a few things to think about over
9 lunch?

10 FACILITATOR DAVE WAHUS: Yes. Then we
11 will come back and start here again.

12 DR. KATE JACKSON: The first thing is
13 one trend we did not talk about is security issues.
14 The vast majority of facilities that we still manage
15 and maintain or have a significant interest in are
16 those that are attached to our hydro facilities.

17 There are issues with respect to
18 homeland security. There may be follow-up
19 requirements coming from the Homeland Security Act or
20 other acts that will have an impact on our ability to
21 maintain those facilities and spend more money and
22 provide open access, that's one thing to think about.

23 When you talked a little bit about
24 access fees, one thing that I would hope that you
25 would wrestle a little with is collection of those
1 fees. We right now don't have staff that stands
2 around to collect fees.

3 Yes, we could do what the Forest

4 Service does, which is has a ranger that will patrol
5 and have some honor-based entrance fees and then they
6 come and check, did you rip off the thing and stick
7 it on your dashboard, we don't have staff. That
8 costs money. It goes back to your deficit issue.
9 Just ponder that a bit.

10 The other thing I would hope that you
11 would think a little bit about is this drive toward
12 more informal, more personal, closer-to-home
13 recreation. I think there is -- there is an
14 interesting issue for you folks to think about. We
15 are an investor-owned utility, and, no, we're not the
16 Park Service or the Forest Service either, but
17 because we're public power does that suggest that we
18 have more responsibility to provide low-income folks
19 opportunities for access to natural resources that
20 they don't have to pay for or that are inexpensive or
21 that are a vehicle for them to have enjoyment that
22 they believe is their right and how should we think a
23 little bit about that and make the priority based
24 trade-offs for the provision of that versus provision
25 of higher-end, more self-sustaining kinds of
1 recreational experiences.

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2 The other thing I will talk about

3 is -- just to offer for your thought, when Georgia
4 Power says we get \$500,000 and we spend 700,000, they
5 do not include the cost of power lost. They do not
6 include the cost of all of their partners'
7 investment.

8 Whenever there's a FERC license,
9 typically what an investor and utility does is
10 off-loads -- either they endow money for management
11 of some area or they transfer property for management
12 to an area. You heard that the State of Georgia
13 manages that whole gorge, the costs for management of
14 that gorge are included in that 5 to \$700,000 change.
15 Keep that in mind.

16 TVA, because it has, and you heard him
17 respond, there's a mission based difference. Because
18 TVA has the responsibility for these multiple
19 missions, because we are responsible for conservation
20 use and development of land, we will not off-load
21 that core mission and core responsibility and
22 transfer large chunks of land as a result. We don't
23 intend to do that.

24 If there is a negotiated solution
25 through the ROS or through other means or provision
1 of opportunities, we will not endow that and have the

2 State of Tennessee provide that or the State of
3 Alabama provide that, that's not our current
4 thinking. Give me feedback on that.

5 The other thing I will say, maybe this
6 will engender some angry conversation this afternoon,
7 the reason that TVA is not subject to FERC licensing
8 for hydro projects is because of our multiple based
9 mission. An investor-owned utility uses that public
10 resource, the water, for private gain for their
11 stockholders. As a quid pro quo for that, they pay
12 tax.

13 The FERC license fee is also not
14 included in that 5 to \$700,000 delta. They pay a tax
15 that first -- that FERC licence to be able to manage
16 that facility for private gain.

17 Also as a quid pro quo they go through
18 a licensing process and through a very onerous
19 process, reach a negotiated solution with multiple
20 stakeholders on the kinds of multiple opportunities.
21 They might be recreational opportunities. They might
22 be fishery based to allow them to manage that
23 property.

24 We own those responsibilities. We are
25 not going to step back from that. That's why we

1 spend \$6 million, but I would venture to say that the
2 benefit that the public here gets is on a par with
3 and the costs are probably significantly less than an
4 investor-owned utility. That was a handful of
5 facilities that Georgia Power has. We have 49. So
6 because it's an integrated system, because we can
7 balance the outputs from one end to the other, that's
8 the efficiency.

9 And as for distributors, our big
10 whoppers leave us, I would also venture to say we
11 would ditch the high-cost facilities and not our
12 low-cost hydropower facilities, and you guys would be
13 happy to pay for the stewardship of those low-cost
14 facilities.

15 So contemplate all of that,
16 contemplate these, and then let's come talk about
17 that this afternoon.

18 MR. BRUCE SHUPP: Lunchtime. Thank
19 you.

20 FACILITATOR DAVE WAHUS: Come back at
21 1:00.

22 (Lunch recess.)

23 MR. BRUCE SHUPP: Let's take our
24 seats, please. Dave is going to lead us as we refine

25 our answers to the questions.

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1 David.

2 FACILITATOR DAVE WAHUS: Okay. Before
3 we adjourned for lunch Kate asked you to look at --
4 or to think about these seven issues, and I am just
5 going to review them quickly, and then we will go
6 back to what we were doing before we stopped.

7 Kate asked you to look -- to think
8 about homeland security issues, access fees, and if
9 you do collect fees how do you go about collecting
10 fees. She talked about the cost of staffing fee
11 collection booths or whatever, but how do you go
12 about doing that?

13 Closer-to-home recreation, that and
14 the recreation -- some of the recreation activities
15 being less formal, how do you do that balance?

16 Responsibility to provide access to
17 all was an issue that she discussed and the cost of
18 recreation. She talked about the differences in
19 identifying costs or value of recreation because some
20 do not consider the power loss. The cost of
21 management and some other factors in the -- when they
22 identify the cost of recreation. And last, she
23 discussed the FERC licensing issues and why TVA is

24 not covered by FERC.

25 So are there -- did I capture -- did I
1 summarize -- I actually didn't capture all of the 413
2 things you said, but those are the issues.

3 Does anyone have any questions about
4 those before we go on?

5 Okay. Let's go one page up. Let's go
6 to the last question, and the last question we were
7 still talking about before we ended is, what should
8 receive less emphasis, and Miles, I know you want to
9 say something.

10 MS. MILES MENNELL: I do, but it's not
11 about that.

12 FACILITATOR DAVE WAHUS: Then hang on
13 to it until we get to where you want to be.

14 MS. MILES MENNELL: I want to share a
15 comment that Mr. Fly made to me as we were breaking
16 and I really want to call on him because he can
17 articulate it better than I.

18 He had said when we were looking at
19 access fees that something that might be a really
20 great idea is for us to look at a Green Access
21 checkoff just like we have a Green Power checkoff,
22 but I am going to let him talk about that, if I may.

23 MR. MARK FLY: Mark Fly with the
24 University of Tennessee. And actually, I teach and
25 coordinate the wild land recreation degree program 414
1 there, and we also do a lot of survey research and
2 things like that.

3 This idea obviously isn't new, but it
4 just occurred to me as we were talking about it that
5 a lot of the talk is about fees and where your money
6 is going to come from to manage these areas.
7 Obviously we already have the Green Power checkoff
8 system, and it just occurred to me, well, I would be
9 willing to contribute \$5 or \$10 a month on my utility
10 bill for a green access checkoff.

11 Also, particularly -- and that's what
12 our survey shows is that people are willing to pay
13 fees if they know where their money is going and it's
14 going to be designated to go back into the areas that
15 they are familiar with or use.

16 I think there are two values there
17 that you can capture. One is the use value for the
18 people who do use the lakes and so on, and for other
19 people who don't use it there's also what we call
20 existence value, that they are willing to contribute
21 or otherwise support the fact that things the -- your

22 conservation, the public lands are just there in
23 existence, and whether or not they use them is -- I
24 know if you go into the collection of fees and things
25 like that you get into infrastructure and other costs
1 that it takes to collect those fees and things of ⁴¹⁵
2 that nature.

3 Particularly when you kind of have
4 dispersed areas with multiple access points and
5 everything, that gets to be real difficult and
6 expensive. So I was trying to look at a way that
7 people could contribute to the value that they are
8 realizing like I do from using Norris Lake up there
9 where I live. And so I just wanted to propose that
10 as something that people might want to think about or
11 discuss.

12 FACILITATOR DAVE WAHUS: Thank you
13 very much.

14 MR. LEE BAKER: Should I give him the
15 harsh realities?

16 FACILITATOR DAVE WAHUS: Let's go back
17 to the other page, please. Were there some comments
18 that you wanted to make?

19 MR. LEE BAKER: Yeah. Just the
20 disappointing reality, I guess it is, relative to

21 Green Power and relative to Project Help, and things
22 of that nature, you would be, I suspect, sorely
23 disappointed to see that it's not very well
24 supported.

25 Green Power, it's a great idea. It's
1 the right thing. You ask people whether or not they ⁴¹⁶
2 want to do it, yeah, they should, they do, but
3 nationally it's -- and our situation is about the
4 same. Less than 1 percent or less will do that given
5 the option to check off.

6 And it's the same with Project Help.
7 You ask somebody if you think you want to help
8 someone who is about to have their lights turned off
9 in the cold weather and they will say, sure, but then
10 you give them the opportunity to check off on their
11 bill and unfortunately they just don't do it, is our
12 experience, and I doubt yours is any different.

13 MR. JIMMY BARNETT: Ours is probably
14 worse on Green Power.

15 FACILITATOR DAVE WAHUS: Okay.

16 MR. LEE BAKER: I wish that would
17 work. I wish Project Help would work and Green Power
18 would work better. And if it did, maybe that
19 concept --

20 MR. MARK FLY: I was thinking one
21 thing, for instance, at the Smokies if they get
22 several hundred thousand dollars, it's not going to
23 solve all your problems, but every little bit helps.
24 When you talk about 6 or \$7 million, that's not a
25 huge amount of money.

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1 MR. LEE BAKER: I agree. And like
2 with Project Help that's what we kept saying, you
3 know, just \$1, \$1 would -- you know, \$20,000 -- in my
4 case \$20,000 a month.

5 FACILITATOR DAVE WAHUS: The dollars
6 start to add up.

7 MR. PHIL COMER: The lady up on the
8 side of the mountain who can't -- you-all have at
9 least one little lady I know that can't pay her
10 electric bill every month.

11 MR. LEE BAKER: I cut off about 125 to
12 150 every month.

13 MR. PHIL COMER: That many?

14 MR. LEE BAKER: Yes.

15 MR. PHIL COMER: That many, Lee?

16 MR. LEE BAKER: Yes.

17 FACILITATOR DAVE WAHUS: Could I ask
18 you to come back to the subject at hand here, please?

19 MR. LEE BAKER: Not that I want to,
20 but I will.

21 FACILITATOR DAVE WAHUS: I appreciate
22 that, Lee.

23 What activities should receive less
24 emphasis in the TVA recreation program over the next
25 five years? Are there additions? Did you think of
1 any additions over lunch? 418

2 MS. MILES MENNELL: Well, I think a
3 comment that needs to be made, and I wish you
4 wouldn't put my name with this, but I think that we
5 in local government and the general public have all
6 expected since its inception for TVA to be all things
7 to all people. Obviously, that's not appropriate in
8 today's age or financially feasible. So I think we
9 need to have less emphasis on TVA's having to be all
10 things to all people, and our stakeholders are going
11 to have to take more responsibility, except vis-a-vis
12 weed control.

13 FACILITATOR DAVE WAHUS: I am glad to
14 see that you're maintaining your humor. Less
15 emphasis on TVA being all things to all people.

16 Okay. Any others?

17 What I propose then, we will -- you

18 will have one more opportunity to look at this and to
19 add to it. What I propose, if you agree, is we will
20 go back to the first question and there are a few
21 elements that you -- you have an opportunity to add
22 to that, but there are a few of the items that you
23 suggested on the first question that we probably need
24 a little bit of a clarification. As I reviewed them,
25 I had a couple of questions as to exactly what did
1 you mean. And if you want to discuss some of these 419
2 issues, we certainly can.

3 Then we're going to identify whether
4 you think it's a highest or medium or lowest
5 priority. I know it says which are the most
6 important, but we will see if there are -- any of
7 them are less than a highest priority. We will
8 prioritize them similar to the way we did last time,
9 if you recall.

10 But let's review them quickly.

11 Increase population growth/user demand.

12 Preservation of land.

13 A loss of land to development.

14 Crumbling infrastructure.

15 Type of user demand has been changing.

16 Individual activities are increasing.

17 Diminishing political priority of
18 recreation.
19 Funding issues.
20 Lack of sustainable funding.
21 Growing number of partnership
22 opportunities.
23 Improvement in planning tools and goal
24 setting tools. And a question that I want to ask
25 there, there's some specifics, but I am going to hold
1 that for Greer when we walks in because he's the one ⁴²⁰
2 that asked for that to be added, I believe.
3 Planning and goal setting tools being
4 used better by government agencies.
5 Increase number of volunteers.
6 Can't go that fast. Thank you.
7 Awareness of environmental issues.
8 Increasing public -- increasing --
9 start again.
10 Awareness of environmental issues is
11 increasing.
12 The public is more demanding on the
13 issue of the natural resource management.
14 Segments of population unaware of
15 environmental issues.

16 People are living longer and have
17 changing recreation needs.

18 Attraction to resources near the water
19 for recreation.

20 Consumer commercialism asked --
21 attached to outdoor recreation is growing.

22 People are recreating closer to home.

23 Health issues are becoming a driver of
24 recreation activities.

25 Increasing dependence on local
1 provision of recreation. 421

2 Change in ethnicity recreating in
3 areas. I believe we heard several presenters say
4 yesterday that the number of Hispanics, and also Ken
5 mentioned that the percent of population of the
6 Hispanic recreators is going to be increasing a great
7 deal the over next number of years.

8 Is there any other items that we need
9 to add?

10 MS. MILES MENNELL: Well, I think that
11 in terms of developing a strategic plan and
12 long-range planning, I think we need to be more
13 succinct and say we have to -- No. 1, we're going to
14 have to identify our, being TVA's, not mine, but TVA

15 is going to have to identify its niche, and then
16 you're going to have to have a vision for the future
17 as you begin to develop your strategies.

18 I know I reiterating, but those
19 strategies needs specifically to include
20 opportunities for partnerships. And that was
21 something that was said over and over again
22 yesterday, but we haven't said niche and we haven't
23 said vision. I think we need to be very specific
24 about our strategies in partnership with other
25 agencies.

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1 FACILITATOR DAVE WAHUS: The issue at
2 hand here is what trends. What trends should we be
3 looking at?

4 MS. MILES MENNELL: Well, that's a
5 trend we need to be looking at. We need to do it.

6 FACILITATOR DAVE WAHUS: Okay. Is
7 there any other trends that we need to be -- we need
8 to take into consideration?

9 DR. KATE JACKSON: Security.

10 FACILITATOR DAVE WAHUS: Security.
11 Okay. The need for security, if you will add that to
12 the bottom there.

13 MR. BRUCE SHUPP: The impact on

14 recreation.

15 FACILITATOR DAVE WAHUS: It has an
16 impact on a great number of things. Any other
17 trends? Miles.

18 MS. MILES MENNELL: And I was not
19 being facetious.

20 FACILITATOR DAVE WAHUS: I understand.

21 MS. MILES MENNELL: I think that is a
22 trend and I think we have to take that into account.

23 FACILITATOR DAVE WAHUS: Okay. And we
24 have put it up there.

25 Any other impacts or any other trends
1 we need to be identifying? 423

2 Well, let's go back then to the
3 beginning and let's identify -- I would like to hear
4 from you as to whether you think it's a real high
5 priority or a medium priority or a low priority on --
6 for each of these so we can help TVA focus a little
7 bit more on -- they will obviously have the entire
8 list, but let's identify for them, what are the most
9 important trends to you. We have a long list, a page
10 plus.

11 Population growth and user demand, is
12 that high, medium or low?

13 MR. LEE BAKER: I would say that's
14 high.

15 MR. BRUCE SHUPP: Why don't we do some
16 signalling thing?

17 FACILITATOR DAVE WAHUS: Greer has
18 entered and we're going to -- let's stop and ask him
19 the question that I had, and then we will use thumbs,
20 if we will, up/down, high, medium or low, and we can
21 go through these quickly and identify your priority.

22 Greer, As we reviewed the --

23 MR. GREER TIDWELL: I apologize for
24 being late.

25 FACILITATOR DAVE WAHUS: No apology
1 necessary. As we reviewed the trends that TVA should⁴²⁴
2 take into consideration, and if you will go down
3 right there, please, we -- the improvement in
4 planning tools and goal setting tools, that's one of
5 the trends that you mentioned, could you elaborate a
6 little bit more and give me a little bit more
7 specificity as to what kind of tools or what tools
8 you might be talking about there to help TVA
9 understand a little bit better about what -- rather
10 than being so general, can you be a little bit more
11 specific?

12 MR. GREER TIDWELL: Sure.

13 FACILITATOR DAVE WAHUS: Thank you.

14 MR. GREER TIDWELL: I will try. We
15 started talking about planning here without talking
16 about goal setting and that led me to begin thinking
17 that, hey, that's not the way good business decisions
18 are made. You establish your goals based on what you
19 want to do and then you develop plans to carry out
20 those goals.

21 Some of the tools that were used in
22 the River Operation Study, which you guys know the
23 names of better than I do, are tools that are being
24 used more and more around the country for planning
25 recreation and other public service type endeavors. 425

1 The capacity for quantifying and
2 monetizing values for recreation and what that does
3 in the economy are getting stronger and stronger, and
4 I guess it's not an area where I have got the
5 expertise to identify which, you know, economic model
6 is the best one out there. Just like air pollution
7 modeling, I don't keep up with which model is the
8 best, I just know that they keep getting better and
9 EPA keeps deciding there's a new one that's the best
10 to use tomorrow. So I just wanted to capture that

11 issue there. If we're going to do recreation goal
12 setting and planning, we need to be aware that there
13 are new -- there are improvements in tools for doing
14 that.

15 FACILITATOR DAVE WAHUS: Okay. Thank
16 you. I appreciate that. You helped me understand a
17 little bit better where you're going with that.
18 Thank you.

19 Does anyone have any questions about
20 any of these issues? Does anybody want to discuss
21 any of the issues? Any of these trends?

22 MR. LEE BAKER: The bottom one on
23 ethnicity, other than multiple signage, is there an
24 issue there other than that that I am missing?

25 MR. PHIL COMER: Yes.

426

1 MR. LEE BAKER: Help me understand
2 what the Hispanic movement is going to cause the
3 change on.

4 MR. BRUCE SHUPP: In the sport fishing
5 community over the last 15 to 20 years we have been
6 talking about this trend. We're still talking about
7 it. We haven't really done anything about it, but
8 the significance is that the -- if you remember those
9 graphs from yesterday that we're going to have 600

10 million people in 50 years and half of them are going
11 to be Hispanic.

12 The cultural differences between the
13 existing white recreationists and the future Hispanic
14 recreationists, if you follow the same desires they
15 have today are going to be drastically different.
16 They recreate differently. The Hispanic custom is
17 family grouping, family groups, bigger groups, rather
18 than the lone ranger in his bass boat flying up the
19 lake at 70 miles an hour. These are different trends
20 that nobody that I am aware of have figured out to
21 design for it yet, but it's coming. It's coming.

22 MR. LEE BAKER: It might have some
23 dampening impact on the things Jimmy was talking
24 about as far as the individual sports and
25 individualism. It might move the pendulum back the
1 other way somewhat to group settings. 427

2 MR. BRUCE SHUPP: It might mean that
3 they are less inclined to outdoor recreation. It
4 might mean we have to change camp site design, the
5 campground design. I mean, it might mean a lot of
6 things, I don't know what that is, but what we can
7 see from the lifestyle differences now is that
8 demographers are warning us in our business, if you

9 guys don't change the way you're marketing and change
10 the way you're thinking and change the way you're
11 designing your facilities and what you're thinking
12 about, you're going to miss the boat because the
13 whole country is going to flop over and you're not
14 going to be ready for it. And I am sure that would
15 go along with most the tourism and recreation
16 philosophy also.

17 FACILITATOR DAVE WAHUS: There's been
18 some significant research on diversity and ethnicity
19 and what the various ethnic cultures are looking for,
20 that's available, but there is a significant
21 difference. Waterways experiment station has done a
22 good bit of that, as well as the Forest Service and
23 so on.

24 MR. PHIL COMER: Sir, may I comment on
25 it?

1 FACILITATOR DAVE WAHUS: I'm sorry. 428
2 Go ahead.

3 MR. PHIL COMER: On that subject, I
4 lived in the Philadelphia, Pennsylvania suburbs for
5 28 years. In Center City, Philadelphia there's a
6 marvelous museum, art museum, probably considered the
7 third best art museum in the country, and that's in

8 the vicinity of what's called boathouse row or
9 Witsahinkin (phonetic) Drive, beautiful, beautiful
10 section, parks, trees, facilities for picnicking, et
11 cetera.

12 I lived during that 28-year period
13 during the transition of where Philadelphia went from
14 having a fairly small African-American population to
15 having a significant African-American population.
16 And what happened there, and I am sure there is no
17 urban planning involved in it whatsoever, I mean, it
18 was just -- it was just a fact of what happened.
19 Within a 28-year period those facilities became
20 100 percent utilized by African-Americans and
21 0 percent utilized, I mean literally, by white
22 Anglo-Saxon Protestants.

23 This was a -- it was not a process of
24 gang warfare or any sort of warfare. It was just
25 little by little, as the number of African-American
1 usage of those facilities increased, the number of 429
2 white people simply elected not to go there anymore
3 until it made a complete transition from
4 predominantly white to wholly black.

5 You may realistically put in your
6 crystal ball the fact that this is quite likely to

7 happen. I see it happening on your grounds at
8 Cherokee Dam. On weekends now that has become almost
9 entirely Hispanic.

10 Have you heard this from your field
11 people?

12 It's become virtually 100 percent
13 Hispanic from the Mexican farm workers who have moved
14 into the Morristown, Hamblen County, Jefferson County
15 region, and I couldn't help but think as I drive
16 through on rarer and rarer occasions the picnic
17 grounds that TVA provides around the Cherokee Lake
18 it's become almost now 100 percent Hispanic.

19 I don't care how you plan, how you sit
20 here and dream about this. Realistically this is
21 what is likely to happen, and you can't have programs
22 that say, hey, you know we want 42 percent Hispanics
23 and we want 62 percent and 3 percent Native
24 Americans. The likelihood is it will continue to be
25 100 percent Hispanic.

430

1 FACILITATOR DAVE WAHUS: Lee.

2 MR. LEE BAKER: What I was seeking was
3 how that changes the shape of the recreation. I am
4 sure you're right, Phil, but it sounds like they are
5 using the same picnic facilities that were there for

6 the other group as --

7 FACILITATOR DAVE WAHUS: I think we're
8 going to get an answer to your question. In addition
9 to what Bruce said, I think Ralph is going to build
10 on that a little bit.

11 MR. RALPH JORDAN: Let me just offer
12 that one of the obvious things you deal with with the
13 increased ethnic diversity is the need for bilingual
14 signage. That's one of the things that at least has
15 been pointed out to us that we need primarily from a
16 health and safety standpoint.

17 The very thing that Phil mentioned,
18 which is the Hispanic use -- increasing Hispanic
19 usage at Cherokee Dam Reservation has manifested
20 itself in that they want to start a soccer -- a
21 league based soccer program and they want to use the
22 dam reservation to actually construct or improve a
23 couple of areas that are open areas now and have
24 almost exclusive use for soccer fields, and I think
25 it's because the Hispanic community there doesn't
1 feel like their interests there are served in other 431
2 places. So it can have a very serious ramification
3 for TVA, and it was one I would have never
4 envisioned. So I just wanted to point that out.

5 FACILITATOR DAVE WAHUS: And where I
6 live there's a Spanish soccer league. The guy that
7 runs it says he starts them Sunday morning, and the
8 reason he does that is to keep people from -- these
9 men that are in the soccer league from going out and
10 getting drunk Saturday night. They have to be sober
11 enough to play the next morning. So he's keeping
12 them from spending some of their money on alcohol and
13 keeping the money for their families.

14 Any other questions about any of the
15 trends?

16 Let's go to the top, if you would,
17 Laura. Okay. We're going to go high, medium, and
18 low. And if you agree that something is a high
19 priority or high importance, the thumb goes up,
20 medium, and then if you think it has low importance
21 we will -- please identify it with a thumbs down and
22 we will -- you can -- however you want to do it.

23 Population growth/user demand, is that
24 a high priority?

25 MR. GREER TIDWELL: I've got a
1 question about the process.

2 FACILITATOR DAVE WAHUS: Yes, sir.

3 MR. GREER TIDWELL: Are we talking

4 about the weight that it should be given in making a
5 decision or --

6 MR. PHIL COMER: How important it is
7 as a trend.

8 MR. GREER TIDWELL: How important it
9 is as a trend.

10 FACILITATOR DAVE WAHUS: How important
11 it is as a trend. We have a long list of trends
12 here. Which ones are the most -- which is the
13 highest -- which are the most important trends
14 that -- for TVA to consider as they look it?

15 They obviously are going to look at
16 all the trends we have identified, and probably more,
17 but as we look at this population that we have here,
18 which ones do we think are the highest or the most
19 important trends for them to --

20 MR. PHIL COMER: You're trying to put
21 them in rank order, in other words?

22 FACILITATOR DAVE WAHUS: Yeah. So
23 that they can have some focus rather than everything
24 having an equal value. Okay.

25 I saw just everybody had a thumb up on
1 that one. Okay. 433

2 The next one, preservation of land by

3 nonprofit presentation groups. I see one high. I
4 see a low, a couple of highs. Let's see. Medium.
5 Julie, is yours going sideways or down. I'm sorry.
6 Jackie.

7 MS. JACKIE SHELTON: Julie?

8 FACILITATOR DAVE WAHUS: I apologize.
9 I do that all the time, don't I?

10 So we have a medium. It looks like a
11 medium when you aggregate them all together.

12 Okay. Loss of land to development?
13 High? Medium? Is that a trend that's high, medium
14 or low? I see two lows and one high.

15 MR. BRUCE SHUPP: Is this TVA land or
16 all lands?

17 FACILITATOR DAVE WAHUS: We're talking
18 about TVA land.

19 MR. BRUCE SHUPP: Just TVA land?

20 FACILITATOR DAVE WAHUS: Loss of TVA
21 land through development. Is this a trend that you
22 think should have a high consideration? Low?

23 I see a number of mediums and a couple
24 of lows and one high. So we will go with the medium
25 on that one.

1 FACILITATOR DAVE WAHUS: Crumbling

2 infrastructure. High. Everybody said high.

3 Type of user demand? The type of user
4 demand is changing. Individual activities are
5 increasing. Is this something TVA should consider
6 and give it a high consideration or a low
7 consideration?

8 Hold them there for a minute. Three
9 lows. We're about in the middle there. I will have
10 to give that a medium.

11 Diminishing political priority of
12 recreation? High, medium or low? Up? Down? Well,
13 those voting most have it high.

14 Funding issues, lack of sustainable
15 funding? Well, you didn't -- you didn't surprise me.
16 It should be high.

17 Growing number of partnership
18 opportunities? I see one high, two high, three high,
19 four.

20 MR. PHIL COMER: Let me ask a
21 question.

22 FACILITATOR DAVE WAHUS: Yes, sir.
23 Ask a question.

24 MR. PHIL COMER: I don't know the
25 answer to that, but just based on what I heard

1 yesterday I would say it's important. I just don't
2 know. What should I vote?

3 FACILITATOR DAVE WAHUS: My contract
4 very specifically says I cannot put words in your
5 mouth.

6 MR. PHIL COMER: All right. I hope
7 there are a growing number of --

8 MS. JACKIE SHELTON: Medium is safe.

9 FACILITATOR DAVE WAHUS: Would you
10 please vote again? Is that a high, medium or low?
11 Okay. I saw mostly high on that.

12 Improvement in planning tools and goal
13 setting tools? It includes the sub bullets there to,
14 Laura. Improvement in planning tools and goal
15 setting tools, which we have to establish goals
16 before plans, use the improved tools, some of which
17 are used in the ROS, should quantify recreation
18 values, economic models, et cetera, and identify your
19 visions, strategies for partnerships, et cetera, how
20 many people think that's a trend that should be
21 included? I am seeing a high there.

22 Preservation -- I'm getting ahead of
23 you.

24 Planning and goal setting tools being

25 used better by government agencies, is this a trend
1 that -- 436

2 MR. BRUCE SHUPP: It's a statement.

3 FACILITATOR DAVE WAHUS: Is that a
4 statement or is that a fact or is that really not a
5 trend? Then let's take it off of there.

6 Trend of increasing numbers of
7 volunteers, is that something that TVA should give
8 real high consideration, a medium or low
9 consideration? I am seeing high on that one.

10 Awareness of environmental issues
11 increasing and the public is more demanding on the
12 issue of natural resources management, is this a
13 trend that's high, medium or low? Medium on that.
14 We have three highs, four mediums, and a low.

15 Segments of population are unaware of
16 the environmental issues, is this a trend that TVA
17 should consider highly, medium or low? I see one
18 high, a medium, and two lows. How about the rest of
19 you, are you going -- well, we will go with the
20 medium. I saw a few more votes.

21 People are living longer and have
22 changing recreation needs, is this something that TVA
23 needs to consider highly, medium or low?

24 You get one vote, Phil. You can put
25 them both up but I'll count one.

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1 MR. PHIL COMER: Okay.

2 FACILITATOR DAVE WAHUS: Could I have
3 your thumbs again, please? It's a low when you add
4 them all together.

5 Attraction to water resources near
6 water for recreation, people are attracted to water?
7 High.

8 Consumerism and commercialism that is
9 attached to outdoor recreation is growing, is that
10 something that we -- needs to be -- medium.

11 This is so much easier than moving
12 flip charts around up on the wall.

13 MS. JULIE HARDIN: Some of us aren't
14 voting.

15 FACILITATOR DAVE WAHUS: Well, if they
16 are not voting, then they are allowing someone else
17 to make a decision for them.

18 MR. BRUCE SHUPP: They are voting.

19 FACILITATOR DAVE WAHUS: They are
20 voting by not voting.

21 People are recreating closer to home,
22 is that something TVA needs to consider as a high

23 priority? A high.

24 Health issues are becoming a driver of
25 recreation activities, walking, hiking? A low.

438

1 Increasing dependence on local
2 provision of recreation? Those that have voted have
3 their thumb up, most of them except one or two, so go
4 up to high.

5 Change in ethnicity recreating in
6 areas with different recreation demands and needs, is
7 this high, medium or low? Hold this one. Medium.

8 The last one is security impacts?
9 That's a high issue.

10 Okay. Let's review very quickly the
11 high priorities. Population growth, user demand,
12 crumbling infrastructure, diminishing political
13 priority of recreation, funding issues, growing
14 number of partnership opportunities, improvement in
15 planning tools and goal setting tools, increasing
16 number of volunteers, attraction to resources near
17 water for recreation, people are recreating closer to
18 home, increasing dependence on local provision of
19 recreation, security impacts. Any questions? Any
20 disagreement? Anything there that shouldn't be high
21 priority that you have real strong feeling for?

22 MS. MILES MENNELL: I just have a
23 question. On diminishing political priority of
24 recreation, that's kind of contradictory. I am not
25 sure what that means.

1 FACILITATOR DAVE WAHUS: Bruce, would 439
2 you help explain this?

3 MR. BRUCE SHUPP: I will explain it.
4 We had a national meeting on fishery priorities and
5 issues, and when we get down with a whole list of
6 issues we realized that all of the issues were based
7 on the fact that fisheries -- decisions being made on
8 resource management weren't considering fisheries
9 strong enough, and I think you could broaden that to
10 say that decisions made on natural resource
11 stewardship are not considering recreation strongly
12 enough. So that's what I meant, that the priority of
13 recreation, when decisions on FERC relicensing, on
14 energy policy, on a lot of other things, recreation
15 really isn't driving those decisions.

16 MS. MILES MENNELL: I understand that,
17 but in terms of pro or con, when you -- in terms of
18 recreation planning, is that pro planning or con
19 planning? How do you take -- I don't get how you
20 take that --

21 MR. BRUCE SHUPP: I see. The trend
22 that the politicians are going in the last ten years
23 is the negative trend, which is affecting our ability
24 to get the good things done.

25 MS. MILES MENNELL: Right. So in 440
1 terms of our planning, we just need to know that so
2 that we can get around it?

3 FACILITATOR DAVE WAHUS: That's
4 correct.

5 MR. BRUCE SHUPP: And we need more
6 advocacy.

7 MS. MILES MENNELL: Okay.

8 MR. BRUCE SHUPP: Increase the
9 advocacy level is what we're talking about.

10 FACILITATOR DAVE WAHUS: Be aware of
11 it or least know it so you can do something about it.
12 Good question.

13 Any other comments or questions?

14 Okay. Let's go to the medium.

15 Preservation of land by -- preservation of land, loss
16 of TVA land to development, type of user demands are
17 changing, the awareness of environmental issues are
18 increasing, and public is demanding on the issue of
19 natural resource management, segments of the

20 population are unaware of environmental issues.

21 Would you put a bullet in front of
22 consumerism, please?

23 Consumerism and commercialism attached
24 to outdoor recreation is growing, change in ethnicity
25 recreating in areas with different recreation demands
1 and needs, any questions or comments? Does anyone
2 have any strong feelings about any of those that they
3 want to share?

4 Okay. The low items in the trends are
5 people are living longer and having changing
6 recreation needs, health issues are becoming a driver
7 of recreation activities.

8 Greer.

9 MR. GREER TIDWELL: When we talk about
10 ethnic differences and the trends there, what's going
11 on in terms of economic trends in terms of folks
12 being able to afford different types of recreation?
13 It seems like that's something that needs to be
14 assessed if we're trying to serve the people of the
15 Valley.

16 I'm sorry to throw this in at the end,
17 but I think that's what our discussion is about.

18 FACILITATOR DAVE WAHUS: Put it in

18 there lawyer.

19 FACILITATOR DAVE WAHUS: Do you want
20 to leave that up there as a trend?

21 MR. PHIL COMER: Yes, leave it.

22 FACILITATOR DAVE WAHUS: Okay. Should
23 that be something that's a high, medium or low
24 priority? Could I see some thumbs, please?

25 MR. GREER TIDWELL: Stays with

1 ethnicity.

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2 FACILITATOR DAVE WAHUS: I see that's
3 a medium. We will leave it right where it's at.
4 Thank you. Any other comments before we go on to the
5 next question. I'm trying to draw this out to 4:00
6 so that you guys will get a full day. I am just
7 joking. I am just joking, Karl.

8 MR. KARL DUDLEY: I've 350 miles I am
9 looking at.

10 MR. BRUCE SHUPP: You get paid by the
11 hour, is that it?

12 FACILITATOR DAVE WAHUS: No, I don't.
13 Let's go to the next question.

14 What would be the most critical
15 elements of TVA's recreation strategy?

16 Let me review them. They are one or

17 two here that I am going to ask for some
18 clarification, or if any of you want clarification on
19 any of these, and Kate, particularly if you don't
20 understand, please speak up.

21 Serious consideration of access fees.

22 Now Kate mentioned just before lunch that -- she said
23 it's great to talk about access fees, but how are you
24 going to collect them? And as we go into serious
25 consideration, she needs -- you need to consider the
1 cost of collection, as well as the money that you get⁴⁴⁴
2 in, and sometimes the costs can be just as much or
3 more as what you collect.

4 Public surveys. I have a question on
5 public surveys. Julie, if I remember correctly, you
6 suggested that we add public surveys up there. Good
7 issue.

8 MR. PHIL COMER: Jackie did that.

9 FACILITATOR DAVE WAHUS: Was it
10 Jackie? I think it was Julie or Miles. I don't
11 care. I need somebody's help. I am going to call
12 you-all Lee.

13 MR. BRUCE SHUPP: All ladies.

14 FACILITATOR DAVE WAHUS: The question
15 I have, when you talked about public surveys, whoever

16 suggested it, were you talking about user surveys,
17 which is after someone has come to a recreation area
18 and they have used the facility, then you get a
19 survey as to how they like the facility or are you
20 talking about a wider survey where you're going
21 across the broad section of the public and you're
22 asking them what facilities they would want to have
23 if they could have it or are we talking about which
24 do you like the best? What kind of public surveys
25 were you -- do you have in mind?

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1 MS. JULIE HARDIN: All of them. I
2 think I heard you mention three.

3 FACILITATOR DAVE WAHUS: I did. There
4 are probably more. I am trying to focus --

5 MS. JULIE HARDIN: I think all are
6 needed.

7 FACILITATOR DAVE WAHUS: The first one
8 I mentioned is more like a satisfaction survey. If
9 you had breakfast over in the restaurant either
10 yesterday morning or this morning, when they gave you
11 your bill they gave you a little customer
12 satisfaction card and asked you to fill it out. Did
13 anybody fill it out?

14 MS. MILES MENNELL: Heavens no.

15 MR. KARL DUDLEY: I would have written
16 thumbs down on it.

17 MS. MILES MENNELL: I think the
18 importance of surveys is to find out what people
19 value.

20 FACILITATOR DAVE WAHUS: So looking at
21 what people value?

22 MS. MILES MENNELL: Yes, in terms of
23 planning. So you have got to find out what they
24 value and what they are looking for in terms of what
25 they are going to get from what their natural
1 resource before you begin to plan as you implement. 446
2 So I think it's a prerequisite to planning, to find
3 out what people value, your various stakeholders.

4 FACILITATOR DAVE WAHUS: Okay.

5 MS. JACKIE SHELTON: We're not looking
6 to critique. We're looking to survey what people are
7 interested in.

8 FACILITATOR DAVE WAHUS: Very good.
9 Thank you.

10 MR. BRUCE SHUPP: And economic value.

11 FACILITATOR DAVE WAHUS: And their
12 economic values, yeah, Bruce said. So let's add
13 economic values.

14 MR. JIMMY BARNETT: I would be
15 interested in sailing if TVA would furnish me a
16 sailing boat, but otherwise, I'm not interested in
17 it.

18 FACILITATOR DAVE WAHUS: Have you
19 asked them?

20 MR. JIMMY BARNETT: Kate?

21 DR. KATE JACKSON: No.

22 FACILITATOR DAVE WAHUS: Public
23 participation. These are elements that should be
24 considered -- should be the most critical elements of
25 the TVA's recreation strategy.

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1 Public participation.

2 Preservation of land.

3 Explore the concept of systematic
4 meetings between the partners of each reservoir.

5 Include local governments in
6 partnership meetings to help them better understand
7 the recreation and economic benefits of the river
8 system.

9 Someone said earlier that some of the
10 governments really don't understand the river system
11 and how it benefits them and how it affects them.

12 Outsource activities but not the core

13 mission.

14 Provide customer satisfaction.

15 How do you provide customer
16 satisfaction? Would somebody -- whoever suggested
17 this, help me understand this a little better.

18 MS. MILES MENNELL: By providing
19 customer service.

20 FACILITATOR DAVE WAHUS: Okay. And
21 can you --

22 MS. MILES MENNELL: Really, I think
23 it's customer service.

24 MR. PHIL COMER: Soccer fields at
25 Cherokee.

1 FACILITATOR DAVE WAHUS: We're talking⁴⁴⁸
2 about customer service rather than customer
3 satisfaction.

4 MS. MILES MENNELL: I think just
5 customer service.

6 FACILITATOR DAVE WAHUS: So do we
7 leave both of them up there or do we just talk about
8 customer service?

9 MS. MILES MENNELL: I think just
10 customer service. Let's take the -- thank you.

11 FACILITATOR DAVE WAHUS: Establish

12 sustainable funding.

13 Ensure that user fees will be
14 reinvested in recreation projects.

15 Determine the economic value of
16 recreation.

17 Quantify the value of flood control.

18 Long-range planning for stewardship
19 for public lands for recreation 10 to 20 year plans.

20 Is that the end of those, Laura?

21 MS. LAURA DUNCAN: No.

22 FACILITATOR DAVE WAHUS: Establish
23 recognized public sustainable and comprehensive goals
24 to assist in building public trust.

25 Revisit congressional funding for
1 recreation programs. 449

2 Consider funding sources other than
3 federal funding.

4 Self-sustainable program operated like
5 a business.

6 Broad TVA support of recreation
7 program goals.

8 Education of the general public.

9 Identify the value of recreation.

10 Consider quality-of-life issues.

11 Any comments or questions? Anyone
12 need any more clarification of what any of those
13 mean? Any additions?

14 Miles.

15 MS. MILES MENNELL: Back up to the one
16 where you have local governments, Laura, do you mind
17 going back up there? I can't remember what it says.

18 FACILITATOR DAVE WAHUS: Right here.

19 MS. MILES MENNELL: Include local
20 governments in partnership meetings. I think one of
21 the keys is not just local governments. I think
22 there's a real communication issue, and I am probably
23 being redundant, but it's stakeholders, whether
24 they're local -- and local governments in terms of
25 getting them to assist in funding and providing these
1 opportunities, but I think that's sort of all
2 encompassing because I think there's lots of groups
3 that we need to be in better communication with and
4 look for opportunities to involve them in
5 understanding what's available and how we're going to
6 sustain it in general. I don't know how you put that
7 in there.

8 FACILITATOR DAVE WAHUS: Okay. By
9 just adding the word stakeholders in there, would

9 we get to them, we can add those.

10 Public surveys, user satisfaction

11 preferences, broad, et cetera, determine what people

12 value -- what people's values are for planning,

13 prerequisite for planning, determine interest,

14 determine economic values, high, medium, low? High.

15 Public participation? Those voting

16 say high.

17 Preservation of land? High.

18 Explore the concept of systematic

19 meetings between partners of each reservoir? High.

20 Include government -- local

21 governments and other stakeholders in partnership and

22 communication meetings to help them understand the

23 recreation and economic benefits of the river system?

24 Hold on. Stop.

25 MR. BRUCE SHUPP: Put those two

1 together. 452

2 FACILITATOR DAVE WAHUS: Put those

3 together?

4 MR. BRUCE SHUPP: It's just another

5 step in that process.

6 FACILITATOR DAVE WAHUS: Okay. Does

7 everyone agree to add those?

8 MS. LAURA DUNCAN: One bullet?

9 MR. BRUCE SHUPP: Step it in.

10 FACILITATOR DAVE WAHUS: There you go.

11 Good.

12 MR. PHIL COMER: Public participation

13 could be included in that also.

14 MR. BRUCE SHUPP: Excellent. In fact,

15 you could take public participation out probably.

16 FACILITATOR DAVE WAHUS: Rather than

17 lose it, let's just put it down there like that.

18 Outsource activities but not the core

19 mission? High.

20 Provides customer satisfaction through

21 customer service? High.

22 Establish sustainable funding? High.

23 Ensure that user fees will be

24 reinvested in recreation projects? In other words,

25 if the money is collected there, it goes back into
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1 recreation. High.

2 Recognize and determine the economic

3 value of recreation? In other words, quantify it,

4 quantify the value of recreation. High.

5 Quantify the value of flood control?

6 High.

7 Long-range planning for stewardship of
8 public lands for recreation, 10- to 20-year plans,
9 looking down the road? High.

10 Establish recognized public
11 sustainable and comprehensive goals to assist in
12 building public trust?

13 MR. BRUCE SHUPP: This goes back to
14 the same planning issues.

15 FACILITATOR DAVE WAHUS: It could be
16 combined, but let's for the moment here just leave
17 them up there.

18 Revisit congressional funding for
19 recreation programs?

20 MR. LEE BAKER: Are we talking about
21 TVA?

22 MR. PHIL COMER: TVA can't do that.

23 MR. BRUCE SHUPP: It's a waste of
24 time.

25 MR. PHIL COMER: TVA can't do that.

1 MS. JACKIE SHELTON: We might as well⁴⁵⁴
2 take it off.

3 FACILITATOR DAVE WAHUS: Low.
4 Consider funding sources other than federal funding,
5 self-sustainable program operated like a business? I

6 see one, two, three, four, five, okay, that's a high.

7 Broad TVA support of recreation
8 program goals? I believe that was explained that
9 everyone in the organization should support the same
10 goals those. Those that I see are up high. High.

11 Education of the general public?
12 High.

13 Identify the value of recreation?
14 Similar to the one that was before.

15 MR. BRUCE SHUPP: That's redundant.
16 Let's just take that off of there.

17 FACILITATOR DAVE WAHUS: Also consider
18 qualify-of-life issues? Medium.

19 That's all.

20 MR. PHIL COMER: Everything is high
21 except two.

22 FACILITATOR DAVE WAHUS: Well, you
23 guys focused on the high items apparently.

24 DR. KATE JACKSON: Can I ask a
25 question now?

1 FACILITATOR DAVE WAHUS: You may ask a
2 question.

3 DR. KATE JACKSON: When you look at
4 the high ones, the vast majority of those are driving

5 us toward recreational opportunities that will
6 self-sustain, sit on their own bottoms, be operated
7 like businesses, do you really want to give me that
8 advice?

9 Do you really not want me to build a
10 trail?

11 Do you really want me to build fancy
12 boat docks that pay for themselves?

13 Do you really not want public, public,
14 public recreation? Is that what you mean?

15 MR. BRUCE SHUPP: I didn't get the
16 same interpretation that you got.

17 DR. KATE JACKSON: I am telling you
18 that's how I am interpreting that. You drive me
19 toward self-sustaining recreation, that is not
20 mountain biking, guys. It's not wildlife viewing.
21 It's not windshield driving. It's not picnicking.

22 MR. PHIL COMER: We better reconsider
23 these.

24 MS. JULIE HARDIN: Let's go back and
25 do the whole thing over again.

1 FACILITATOR DAVE WAHUS: You want to
2 start from this morning?

3 MR. BRUCE SHUPP: No. No.

4 MR. JIMMY BARNETT: No.

5 DR. KATE JACKSON: No. Yesterday.

6 MR. BRUCE SHUPP: Just roll it back.

7 FACILITATOR DAVE WAHUS: How far back?

8 MR. BRUCE SHUPP: To the beginning of

9 this No. 2.

10 FACILITATOR DAVE WAHUS: The question
11 is, what would be the most critical elements of TVA's
12 recreation strategy?

13 MR. BRUCE SHUPP: Wait a minute.

14 Where are you going?

15 DR. KATE JACKSON: I am listening. I
16 am just walking.

17 FACILITATOR DAVE WAHUS: Serious
18 consideration of access fees.

19 MR. KARL DUDLEY: I don't think --

20 FACILITATOR DAVE WAHUS: Go ahead,

21 Karl.

22 MR. KARL DUDLEY: I don't think
23 self-sustaining and consideration of fees are
24 identical items. To me it's just some help here, is
25 what I am looking for, you know. I just think that
1 that's what needs to be done. 457

2 Also in doing that I think we're going

3 to see the true users come forth. It's not going to
4 be so much of the windshield time, to me that's
5 important.

6 So, yes, I don't have any problem with
7 the bike trails and things like that, but in the
8 ability to collect these fees, you know, we have --
9 we have little old grocery stores near several of our
10 park areas in West Tennessee that sell temporary
11 fishing license and temporary hunting license, and in
12 today's world there's technology where you can drive
13 by a car and determine whether it's got that sticker
14 on it, you don't even have to look for it.

15 So I seriously believe that there's
16 some way to collect these fees. It's going to help
17 my ratepayers. I guess as Phil says, I am a single
18 subject here, but I am concerned about my ratepayers,
19 you know. We can't continue to add on all of these
20 ancillary services to TVA's future just because
21 people want them unless somebody is willing to pay
22 something. I don't think that's self-sustaining,
23 Kate. I just don't feel like it is. I don't think
24 that's what I am asking you to do. I am just asking
25 for some help here.

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1 DR. KATE JACKSON: Fine.

2 FACILITATOR DAVE WAHUS: Good. Any
3 other comments on that issue?

4 MR. BRUCE SHUPP: The only comment I
5 would make is that, and I think we discussed this
6 with one of the speakers yesterday or he discussed
7 it, that there's a limit to what you can -- where you
8 can go with access fees and still have people use the
9 facility. And there's certainly a limit on -- and
10 it's an unreasonable limit to people's satisfaction
11 levels of paying an access fee.

12 An example would be the Corps' boat
13 launch fees now are like \$3, it's a ridiculous cost.
14 The guy using his boat will spend \$50 in gas that day
15 and scream and holler about the \$3 to launch his boat
16 at the Corps' very good access sites with toilets and
17 lights and everything else. So, you know, the
18 expectation and the realization is what people are
19 willing to pay for a service they think the
20 government should be providing to them for nothing.

21 There's -- nobody in the state
22 governments that I am aware of has been able to use
23 access fees to pay for programs. They collect money,
24 but it sure doesn't take the burden off of the costs.
25 You know, you collect money and you offend some of

1 your users, but you don't really pay for the program.
2 I don't have a lot of confidence this is going to get
3 TVA out of the woods on their --

4 FACILITATOR DAVE WAHUS: I'm going to
5 try to get your name right. Jackie.

6 MS. JACKIE SHELTON: Julie.

7 FACILITATOR DAVE WAHUS: You have got
8 me totally confused now.

9 MR. JIMMY BARNETT: J&J.

10 MS. JULIE HARDIN: That's Jackie.

11 FACILITATOR DAVE WAHUS: Ms. Shelton.

12 MS. JACKIE SHELTON: Kate, are you
13 saying that TVA, when you talk about access fees for
14 public land, public good, we're on the wrong track,
15 aren't we?

16 DR. KATE JACKSON: Not necessarily,
17 no. Well, my issue is virtually everything up there
18 in high priority is all about self-sustaining, act
19 like a business, recover the funding, I just want to
20 make sure that you really want to give us that advice
21 that strongly.

22 MS. JACKIE SHELTON: I'm unclear.

23 DR. KATE JACKSON: I get Karl's issue
24 of, you know, let's do some cross subsidy here, let's

25 look for opportunities to off-load some of the costs
1 to the people who are driving the increase of those 460
2 costs, if you will, but, you know, I need to balance,
3 am I going to disenfranchise a portion of the public
4 and not pay for these services anyway and is that
5 actually a good thing or a bad thing? So those are
6 the things that I am going to have to wrestle with.

7 MR. BRUCE SHUPP: Kate, I don't see it
8 that way. I see the fact that the public surveys and
9 the dealing with partners are up there is going to
10 drive you toward a consensus decision on how you're
11 going to do that. I don't see what we put up there
12 as a high priority necessarily pushes you to that one
13 direction.

14 MR. GREER TIDWELL: I don't either.

15 MR. PHIL COMER: I don't either.

16 FACILITATOR DAVE WAHUS: Excuse me
17 just a minute. Kate.

18 DR. KATE JACKSON: Go down farther.

19 FACILITATOR DAVE WAHUS: And then
20 Greer and then Lee and then back to Ms. Shelton.

21 DR. KATE JACKSON: Just scan that very
22 quickly.

23 FACILITATOR DAVE WAHUS: Public

24 surveys.

25 DR. KATE JACKSON: Go down.

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1 FACILITATOR DAVE WAHUS: Preservation
2 of land, explore the concept of systematic meetings,
3 outsource activities.

4 Ladies and gentlemen, we're going to
5 speak one at a time, and right now I am speaking.

6 Okay. Outsource activities, provide
7 customer satisfaction and customer service, establish
8 sustainable funding, ensure that user fees will be
9 reinvested, recognizing and determine an economic
10 value of recreation, quantify the value of flood
11 control, long-range planning for stewardship,
12 establish recognized public sustainable comprehensive
13 goals, consider funding sources other than federal
14 funding, self-sustainable program operated like a
15 business, broad TVA's support of recreation goals and
16 education of the public.

17 DR. KATE JACKSON: I see a theme in
18 half of those, which are about sit on your own
19 bottom.

20 FACILITATOR DAVE WAHUS: Now Greer.

21 MR. GREER TIDWELL: I was going to
22 suggest to let's pull those half together in one lump

23 so we can see them all together and figure out what
24 our real message is --

25 MR. PHIL COMER: Plus, a lot of them
1 are redundant. 462

2 MR. GREER TIDWELL: -- and get our
3 message straight.

4 FACILITATOR DAVE WAHUS: Lee.

5 MR. LEE BAKER: I agree with Greer,
6 pull them together because I think they can be
7 incorporated, and I didn't see it -- I know there
8 will always be some things, you know, that are free,
9 but like Bruce said, you know, I mean, five bucks to
10 launch a boat, the person that can't afford a boat,
11 that's not going to bother them a whole lot. So I
12 don't see it going all that way, but I do think that
13 people who can own speedboats wouldn't be bent out of
14 shape to pay a little bit.

15 FACILITATOR DAVE WAHUS: Julie.

16 MS. JACKIE SHELTON: It's Jackie.

17 FACILITATOR DAVE WAHUS: Did it again.

18 MS. JACKIE SHELTON: I was thinking
19 perhaps we should move that from high priority to low
20 priority, maybe the theme would be a little
21 different.

22 MR. LEE BAKER: On the funding?

23 MS. JACKIE SHELTON: Yes.

24 MR. LEE BAKER: No.

25 FACILITATOR DAVE WAHUS: We will

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1 combine them, but I want to give everyone an
2 opportunity to speak here that wants to before we
3 combine some of these.

4 MS. MILES MENNELL: I'm the one who
5 put the outsourcing up, I am not recommending that
6 TVA outsource things, but if they were to outsource
7 things I think it's important that they not outsource
8 the core mission. So I'd like to just take that one
9 off.

10 MS. JULIE HARDIN: Good.

11 DR. KATE JACKSON: I have no problem
12 with that one.

13 MS. MILES MENNELL: Well, thanks a
14 lot.

15 DR. KATE JACKSON: And being a federal
16 agency, we can't outsource our core mission.

17 MS. MILES MENNELL: Cannot?

18 DR. KATE JACKSON: No. But I think
19 outsourcing is a completely viable business
20 opportunity to look to reduce your costs, shift fix

21 to variable costs, I don't think that's -- I have no
22 problem with that one.

23 MS. MILES MENNELL: I hope you will
24 leave it there.

25 DR. KATE JACKSON: Not that I am
1 encouraging you-all. 464

2 FACILITATOR DAVE WAHUS: Okay. Jimmy.

3 MR. JIMMY BARNETT: A point, since
4 you've brought it up, I can see where a lot of these
5 are leading in that direction. I was thinking in
6 that direction. However, I was not thinking about
7 them -- about TVA not building trails, which you
8 could not charge a fee for anyway. I guess you
9 could, but it would be a hard thing to do.

10 And some of those things that people
11 could wind up utilizing for free, it's got a one-time
12 capital cost. I know there's some maintenance, you
13 have got to go out there and you've got to cut the
14 grass and you've got to do this and keep the steps
15 right or they'll fall and break their leg and sue
16 everybody and there's some operation maintenance to
17 it, but, yeah, I think there ought to be trails and
18 walkways and things like that that people could walk
19 out at lunch and use them, like on a reservation at

20 Muscle Shoals, rather than having to pay \$3 to walk
21 the trail.

22 Now, where does that get me?

23 That gets me to the point that the
24 people that are going to use the trails may or may
25 not have money to have the fancy power boats, and if
1 I have got a power boat, I will be willing to pay a ⁴⁶⁵
2 fee to have a decent place to launch it, particularly
3 a pontoon boat that the wind blows against, I want a
4 nice launch area that I can launch it in, and I will
5 pay for that.

6 If somebody else can't afford that,
7 then they have got some alternatives over here, find
8 them another job, or go down here and walk the trails
9 and do the other things that they can do for free.
10 So I am not saying don't do some of those for the
11 lower income folks for free. I'd let my customers
12 pay for that and say they ought to.

13 FACILITATOR DAVE WAHUS: So the
14 suggestion is that if we lump some of these issues,
15 so working here from the end, help me identify which
16 ones we should move up and lump.

17 Outsourcing is not one of them.

18 Explore the concepts of systematic

19 meetings, preservation of land, public surveys,
20 serious consideration of access fees, we're going to
21 lump sum with that access fees. Let's go down a
22 little bit farther.

23 Provide customer satisfaction,
24 establish sustainable funding, ensure that user fees
25 be reinvested, those two should be lumped with that
1 first one up there? 466

2 MR. PHIL COMER: Yes.

3 FACILITATOR DAVE WAHUS: Okay. Let's
4 capture that. Thank you. Now let's go back down
5 again.

6 MR. PHIL COMER: They can be
7 shortened.

8 FACILITATOR DAVE WAHUS: Recognize
9 economic value of recreation, quantify flood control,
10 go on down, please.

11 DR. KATE JACKSON: Determining the
12 economic value of recreational opportunities, I mean,
13 depending upon how you provide me this advice, if
14 what you want me to do is determine the value so that
15 I can prioritize based on that economic value which
16 things I am going to invest in, that's going to drive
17 me toward self-sustaining recreational opportunities

18 that drive jobs, that drive investment. So, I mean,
19 that one gives me the same message.

20 FACILITATOR DAVE WAHUS: Take that and
21 flood control as well then.

22 DR. KATE JACKSON: I don't know what
23 to do with that one.

24 MR. BRUCE SHUPP: Well, you have that
25 data, don't you?

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1 DR. KATE JACKSON: Well, I think
2 there's a different issue. I know the damage
3 reduction.

4 MR. PHIL COMER: \$138 million a year
5 is the average saved, and I propose we charge
6 Chattanooga about \$40 million a year for that
7 privilege, which is their total budget, --

8 MR. KARL DUDLEY: That takes care of
9 their recreation costs.

10 MR. PHIL COMER: -- according to Jack.
11 I don't think it belongs on this list frankly. I
12 don't think it's in recreation.

13 MR. BRUCE SHUPP: You put it on.

14 MR. PHIL COMER: I know that. I was
15 responding to these wholesale distributors.

16 FACILITATOR DAVE WAHUS: Do you want

17 to take it off?

18 MR. PHIL COMER: Yeah, I think it
19 should -- it doesn't belong here on recreation.

20 FACILITATOR DAVE WAHUS: Take it off.

21 MR. LEE BAKER: We all knew that, but
22 we were too polite to say it to your face.

23 FACILITATOR DAVE WAHUS: Are there any
24 others we want to add? We're lumping here, consider
25 funding sources other than federal? Yeah, that one
1 will go up there too, I believe. 468

2 MR. JIMMY BARNETT: It's all funding,
3 so put it all together.

4 FACILITATOR DAVE WAHUS: Okay. Now,
5 let's go up and take a look at what we have. These
6 are the ones that you have lumped.

7 MR. PHIL COMER: Consider funding
8 sources, comma, including access fees, comma, and
9 then eliminate that first one.

10 FACILITATOR DAVE WAHUS: We can sit
11 here and wordsmith them to death, but if you agree
12 that we have them together, we will just leave them
13 together.

14 MR. PHIL COMER: I don't want Kate to
15 be overwhelmed by this preponderance of the idea that

16 we think everything should be paid for.

17 FACILITATOR DAVE WAHUS: I think as a
18 result of her questions and comments, you have made
19 it abundantly clear that you -- what your preference
20 would be.

21 MR. PHIL COMER: I haven't heard her
22 say that.

23 DR. KATE JACKSON: You're not done
24 yet.

25 MR. JIMMY BARNETT: What about adding,
1 if you will, and I am asking, I guess, everybody,⁴⁶⁹
2 including Kate, to the funding thing that -- always
3 consider that -- that you should offer some things
4 for the lower economic strata of users, like trails.

5 MR. PHIL COMER: I don't think you
6 ought to have language like that.

7 DR. KATE JACKSON: But do you want to
8 say something like provision of diverse recreational
9 opportunities?

10 MS. MILES MENNELL: Yeah, some phrase.

11 FACILITATOR DAVE WAHUS: Bruce?

12 MR. BRUCE SHUPP: I am comfortable
13 with the fact that if you sit down with partners and
14 everybody is honestly trying to serve the needs that

15 you have identified as partners for recreation for
16 the area, and if you have developed economic data on
17 the value of certain aspects of recreation on your
18 reservoirs, that would give you the right to put
19 higher priority on that type of recreation and expect
20 partners to share in developing some other types,
21 which may be trails.

22 So I am not worried about you being
23 driven in a direction by good data on high priority
24 stuff on the reservoirs. And if you are partnering
25 and somebody expresses the need for something else,
1 that's fine, then they can help meet that. 470

2 The other thing is that your partners
3 won't have much better data or probably no data to
4 compete with what you're coming up with. So, in
5 essence, by you establishing the higher priorities
6 you're doing a service, and then somebody can pick up
7 the lower priorities.

8 MR. PHIL COMER: Realistically, and I
9 think this comment was made this morning in the TVA
10 presentation early this morning by Ralph, we have a
11 tendency in the last few minutes to act as though
12 these recreational opportunities, that you're going
13 to have partners just clamoring to join with this,

14 and the reality is that is not the case. And Ralph
15 made that clear this morning, that when push came to
16 shove, he had only like two partners really
17 interested in getting -- investing money.

18 These recreational opportunities,
19 particularly in the eastern end of the system, have
20 to survive on three or four months of income per
21 year, quite frankly, and they are not -- I don't know
22 of any marina owners who have become really
23 millionaires as a result of operating boat docks. I
24 mean, statistically I don't know of any that have
25 ended up being wealthy. So these are not
1 fantastically attractive or large-scale opportunities⁴⁷¹
2 for partnering.

3 FACILITATOR DAVE WAHUS: Jimmy, have
4 you got something to say?

5 MR. JIMMY BARNETT: Sorry.

6 FACILITATOR DAVE WAHUS: Miles.

7 MS. MILES MENNELL: Just a
8 clarification, we have up there, recognize and
9 determine the economic value of recreation and
10 quantify it, to what end? Because we go down to
11 surveys down there, what we're asking the public to
12 tell us is how they value it. So I don't understand

13 exactly what that means or how come. So tell me
14 again.

15 MR. LEE BAKER: I will elaborate
16 because I think I said that. Listen to me, Miles.

17 MS. MILES MENNELL: All right. I am
18 giving my full attention.

19 MR. LEE BAKER: What I was attempting
20 to try to be fair about is recognizing in the power
21 industry that spending money to recruit industry,
22 steel mill or textile mill or whatever.

23 MR. PHIL COMER: Sewing operations.

24 MR. LEE BAKER: Exactly. It offers
25 some value to a power distributor. So while I can't
1 quantify it myself, recreation offers some value to ⁴⁷²
2 the overall economy. And what I am interested in is
3 a factual real value, not somebody who has a vested
4 interest that claims it offers all of these economic
5 values.

6 As a power distributor, you know, I
7 could -- just like I could feel good about spending
8 money to recruit an industry because it offers
9 certain value. I would like, you know, some clarity
10 on what the real recreational value is, not the fact
11 that somebody has a good time, but how much money

12 does it generate in terms of business money?

13 FACILITATOR DAVE WAHUS: I believe we
14 had two speakers yesterday, if I remember correctly,
15 that said they are able to identify the economic
16 impact of recreation in their region or in the area
17 of their park or lake or whatever it was that they
18 were talking about.

19 MR. LEE BAKER: Two of the federal
20 people?

21 FACILITATOR DAVE WAHUS: Yes. So
22 there are methodologies out there.

23 MR. PHIL COMER: The ROS study.

24 MR. LEE BAKER: It certainly is, and
25 that was where I was leaning at in terms of not just
1 what somebody wants. 473

2 MS. MILES MENNELL: And I understand
3 that and I understand the word regional, but, of
4 course, when you get into communities where tourism
5 or ecotourism is the primary economic development
6 tools, then you're going to want to know about it
7 locally, too. So, I mean, I understand what you're
8 saying.

9 MR. LEE BAKER: But I have some
10 hesitation on the local deal because, yet, it may

11 mean money for that county, but overall it may mean
12 loss of money for the entire region. I think it has
13 to be regionally.

14 MS. MILES MENNELL: Well, if I am a
15 local government, what I care about is my local
16 economy.

17 MR. LEE BAKER: That's exactly right.

18 MS. MILES MENNELL: So somehow we have
19 to account for that.

20 MR. PHIL COMER: Lee, also this can
21 help you recruit that industrial client by virtue of
22 the fact that the employees and executives would
23 rather come to a region that is not devoid of
24 recreational opportunities.

25 MR. LEE BAKER: Absolutely.

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1 MR. PHIL COMER: You have to admit
2 that's also a secondary benefit to you.

3 MR. LEE BAKER: Exactly.

4 FACILITATOR DAVE WAHUS: Miles, in
5 answer to the rest of your question, the difference
6 between that and determining economic values under
7 public survey was what is the value, what is the
8 value to the people, what's their economic spectrum
9 and what -- how much money do they have as disposable

10 income, those are the differences there, if I
11 remember correctly, that you were talking about.

12 Any other questions or comments?

13 Let's go to question No. 3. Isn't
14 Laura doing a good job?

15 MR. BRUCE SHUPP: When she isn't
16 choking to death over there.

17 MS. LAURA DUNCAN: I had a small
18 allergy attack.

19 MR. BRUCE SHUPP: I was getting
20 worried about her.

21 FACILITATOR DAVE WAHUS: Okay. What
22 should TVA's recreation program look like in five
23 years?

24 This is where you got your crystal
25 ball out.

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1 I'm sorry. Did you want to say
2 something Greer and I missed it?

3 MR. GREER TIDWELL: No.

4 FACILITATOR DAVE WAHUS: What
5 activities should receive more emphasis?

6 Look at total availability on a
7 regional basis instead of making everything the same
8 at every location.

9 Partnering with all stakeholders.
10 Planning surveys and analysis.
11 Preservation of the right to hunt on
12 TVA public lands.

13 Facilities management will continue to
14 be important. We're talking about infrastructure.
15 Are there some facilities or some parts of
16 infrastructure that are more important than others or
17 is everything equal?

18 MR. PHIL COMER: Toilets are No. 1.

19 FACILITATOR DAVE WAHUS: We heard a
20 lot about toilets yesterday.

21 MR. PHIL COMER: They are No. 1, that
22 and drinking water. That's a serious question.

23 MR. BRUCE SHUPP: Absolutely because
24 it sends tourism a message and it sends an
25 environmental message, and states that aren't
1 trying -- or entities that aren't trying to solve 476
2 that toilet problem are really fooling their
3 customers. They are fooling their customers.

4 FACILITATOR DAVE WAHUS: So those
5 things that are -- you're talking about drinking
6 water, sanitation, waste water, toilets.

7 Just a moment. We will get a battery

8 fix here.

9 I'm sorry, but when two people are
10 talking at the same time we have -- it's really
11 difficult for Kim to hear and understand.

12 MR. GREER TIDWELL: We didn't want her
13 to get that down anyway.

14 FACILITATOR DAVE WAHUS: Okay. Are
15 there -- are those the high priority infrastructure
16 items, drinking water and waste water?

17 MR. BRUCE SHUPP: Could I ask -- wait
18 a minute. What's your question on?

19 FACILITATOR DAVE WAHUS: The question
20 on facilities management will continue to be
21 important, infrastructure, my question was: What
22 kind of infrastructure? Is there some infrastructure
23 that's more important?

24 What you told me is that drinking
25 water and waste water facilities or the sanitation
1 facilities, toilets and such, those are the more 477
2 important things that we need to be concerned about.
3 Are there others?

4 MR. BRUCE SHUPP: I think docking and
5 launching are important. Let's put launching down.
6 Docking has connotations of yachts, and I don't know

7 how important that is.

8 FACILITATOR DAVE WAHUS: Launching
9 facilities. Anything else?

10 MR. GREER TIDWELL: Include signage.
11 When you come into an area for the first time,
12 welcoming is completely proportional to figuring out
13 your way around the place.

14 FACILITATOR DAVE WAHUS: Okay. Thank
15 you. Continuing on then to review what we have here.

16 The preservation of public land
17 development for recreation.

18 Instead of development, more personal
19 watercraft free zones. Partner with TWRA.

20 Open, transparent establishment of
21 criteria and goals for land management.

22 Can we -- can you embellish a little
23 bit on what type of criteria you were talking about?
24 Maybe give me an example or two in what we're talking
25 about there, open and transparent establishment of
1 criteria and goals for land management?

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2 Miles.

3 MS. MILES MENNELL: I think something
4 we talked about when we were talking about public
5 lands was no net-loss of public lands, but those are

6 some of the issues we brought up in that discussion.

7 FACILITATOR DAVE WAHUS: Bruce.

8 MR. BRUCE SHUPP: What would be the
9 criteria for determining to sell or not to sell, to
10 develop or not to develop, I think that's what --

11 MR. GREER TIDWELL: Yeah. I didn't
12 want to weigh this discussion down with saying no
13 net-loss to debate whether that's the right criteria
14 or not, but that's the kind of debate that ought to
15 be held and the Board needs to say where they are
16 going to be on their land management so it's open.

17 FACILITATOR DAVE WAHUS: Then the last
18 one, he didn't want to say no net-loss, so let's --
19 let's not put that up there if he didn't want to say
20 it.

21 TVA retainability to manage and sell
22 all lands, that's the end of that. Can we get all of
23 those on one screen, do you think? We certainly can.

24 Those are the items that you think
25 should receive more emphasis. It's a handful of
1 items? Do you want to prioritize them or do you want
2 to just leave them as they are?

3 MR. PHIL COMER: Leave them like they
4 are. I like that.

5 MR. BRUCE SHUPP: I agree. I don't
6 think we gain a lot by prioritizing.

7 MR. PHIL COMER: Let's leave them like
8 this.

9 FACILITATOR DAVE WAHUS: Any
10 questions? Any discussion on any of those? Anybody
11 want to add anything?

12 MR. GREER TIDWELL: I'm sorry, guys.
13 I've got a long drive, too, but I still want to
14 capture in our discussion on our notes something
15 that's very important to me, which is the other
16 sources of federal funding for recreation activities
17 at TVA.

18 If there is a trail at Smoky Mountains
19 with a parking area, it gets a chunk of my IRS check
20 every year. I understand that TVA can't go lobby for
21 that, but what you're looking for here is, what do we
22 think it ought to look like in five years and what
23 activity should receive more emphasis?

24 And it's not exactly an activity, but
25 I think it falls into somewhere on this sheet the
1 idea of some recreation activity that's open for the 480
2 public ought to be funded for the public just like it
3 is in a national park or U.S. Forest Service lands or

4 anything else.

5 MR. LEE BAKER: I agree.

6 FACILITATOR DAVE WAHUS: You're
7 talking about trails, low impact activities?

8 MR. GREER TIDWELL: That's what came
9 to mind just because I was in the Smokies with my
10 family three weeks ago, but all the recreation
11 activities that has a parallel in the national park
12 system or on U.S. Corps land or on any other kind of
13 federally funded operation, it's an equity issue to
14 me.

15 We ought to keep that pressure on that
16 this Council believes that there ought to be federal
17 funding to support those recreational activities, but
18 I think it's real clear that this Council is not
19 suggesting that there should only be recreational
20 activities if there's federal funding. We're not
21 saying it completely hinges on that, I don't think,
22 there's a consensus here on that, but I'd like to
23 keep the pressure on and I think we need to keep it
24 in this list.

25 MR. BRUCE SHUPP: I agree with his 481
1 priority. The only thing I don't understand is how
2 to make that a recommendation to anything specific

3 because there's so many committees and so many
4 agencies that are involved in the budgeting and the
5 prioritizing for those activities, I don't know who
6 to direct that at.

7 FACILITATOR DAVE WAHUS: Your comments
8 certainly are in the record. So it's certainly there
9 for us to review and be reminded of.

10 Is there a specific item you want to
11 add here to -- in response to what activities should
12 receive more emphasis? What should the TVA
13 recreation program look like in five years and what
14 activities should receive more emphasis?

15 MR. GREER TIDWELL: It's the
16 what-it-should-look-like-in-five-years part that
17 makes me think about that, and in five years it
18 should like a program that has other federal funding
19 coming into it.

20 FACILITATOR DAVE WAHUS: Okay. Let's
21 add that.

22 MR. GREER TIDWELL: It really doesn't
23 fit in the --

24 FACILITATOR DAVE WAHUS: Let's say
25 federal funding from other agencies coming into the
1 program.

2 MR. PHIL COMER: COE as well as U.S.
3 Forest Service.

4 MR. GREER TIDWELL: I didn't
5 necessarily mean other federal agencies.

6 MS. MILES MENNELL: You meant
7 Congress.

8 FACILITATOR DAVE WAHUS: Other federal
9 funding coming in. There you go. Wordsmith it the
10 way you want it to be.

11 MR. PHIL COMER: Can we add Corps of
12 Engineers?

13 FACILITATOR DAVE WAHUS: Sure. Put
14 COE, comma CEO.

15 MR. BRUCE SHUPP: Greer, correct me,
16 let me see what I think you're saying. You're saying
17 that while we have recommended before that TVA get
18 some federal funding and TVA says they won't ask for
19 it, we still think that in five years down the road
20 they should be getting some, is that the statement
21 you want to make?

22 MR. GREER TIDWELL: Yeah. The
23 question is: What should TVA's recreation program
24 look like in five years?

25 I think it should look like other

1 recreation activities and get general funding as
2 opposed to burdening our trails at TVA land or our
3 docks or whatever else with this ratepayer fee
4 structure.

5 MR. BRUCE SHUPP: Well, I think it's
6 fair to repeat that to the Board to say that we have
7 asked you before, we have said it before, we know
8 you're not going to ask for it now, but we think in
9 the future that you have every right to have federal
10 money in this program. So, I mean, I go along with
11 that statement big time.

12 FACILITATOR DAVE WAHUS: Go ahead.

13 MR. KARL DUDLEY: Or partner with some
14 federal agency that can ask for it for any future
15 capital investment in that, is there not some way we
16 can do that, Kate? We're going to build a new trail
17 or something, can we partner with --

18 DR. KATE JACKSON: And we currently do
19 that. I mean, we join grants or partner with others,
20 particularly on things like access points, boat
21 docks, that kind of thing.

22 MR. KARL DUDLEY: Okay.

23 MR. PHIL COMER: Boat ramps you do
24 now?

25 DR. KATE JACKSON: Uh-huh.

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1 MS. JULIE HARDIN: Why can -- why can
2 TVA not go back to the Federal Government for funding
3 from Congress for your goals to be met?

4 DR. KATE JACKSON: There is law that
5 directs us where we can get our funding and that says
6 power revenues.

7 MS. JULIE HARDIN: Okay. Can that law
8 be changed?

9 DR. KATE JACKSON: Any law can be
10 changed.

11 MS. JULIE HARDIN: Thank you.

12 FACILITATOR DAVE WAHUS: Any other
13 comments?

14 MR. GREER TIDWELL: Laura, I think we
15 were wanting to put that actually up underneath what
16 TVA's recreation program will look like in five
17 years.

18 FACILITATOR DAVE WAHUS: That's where
19 it's at.

20 MS. LAURA DUNCAN: That's where it is.

21 FACILITATOR DAVE WAHUS: You just
22 don't see the page because the page is at the bottom
23 of the list.

24 MS. LAURA DUNCAN: I'm trying to get
25 them all on one page for you. It's more emphasis. 485
1 MR. GREER TIDWELL: Okay. It fits by
2 itself.
3 MS. MILES MENNELL: Even above the
4 sub-bullet A. He wants it first.
5 FACILITATOR DAVE WAHUS: Pull that
6 off. Is that what you meant?
7 MR. GREER TIDWELL: Yes, sir.
8 FACILITATOR DAVE WAHUS: Very good.
9 Any objections to that?
10 MR. PHIL COMER: Yeah, I object to
11 that.
12 FACILITATOR DAVE WAHUS: We have one
13 objection. Any other objections?
14 MR. PHIL COMER: Well, it should be
15 one of them.
16 FACILITATOR DAVE WAHUS: We will make
17 a record that there was one objection, one member
18 objected to doing that.
19 Okay. Any other additions or changes
20 or deletions to this?
21 Let's go to the last question. Pretty
22 meager list here. What activities should receive

23 less emphasis? We have three items here.

24 Determine this as a result of surveys.

25 So the surveys we talked about earlier would help us
1 determine what should receive less emphasis. 486

2 MR. PHIL COMER: I think vector
3 control should receive less emphasis.

4 MS. MILES MENNELL: Stop it, Phil.

5 FACILITATOR DAVE WAHUS: Just a minute
6 and we will come back to vector control. Determine
7 during meetings with partners the reduction of staff
8 maintenance and operational responsibilities and less
9 emphasis on TVA being all things to all people.

10 MR. BRUCE SHUPP: Comment, the last
11 one I just -- because the way the TVA Act is written,
12 I don't see how, unless you change the Act, that it
13 could be less emphasis on TVA being all things to all
14 people, that's what they are told to be under the
15 law. I mean, that's the way I read it.

16 FACILITATOR DAVE WAHUS: Okay. Miles?

17 MS. MILES MENNELL: Well, I think what
18 Phil was referring to, vector control, I think that's
19 the sort of thing that I am not advocating for that,
20 but that's the sort of thing that would fall into
21 that category. TVA has been expected to fund so many

22 things that could well be the responsibility of other
23 governmental entities.

24 MR. BRUCE SHUPP: Or for shared
25 responsibility.

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1 MS. MILES MENNELL: Shared
2 responsibility. Just hypothetically, I think that's
3 what -- that's what I meant by that saying that.

4 MR. PHIL COMER: Trash pickup, I don't
5 think TVA could possibly do that.

6 FACILITATOR DAVE WAHUS: Let's add
7 trash pickup.

8 MR. PHIL COMER: They have eliminated
9 it, that's what I'm saying, that's a good example.

10 FACILITATOR DAVE WAHUS: Trash pickup.
11 Do you want to put vector control up there? Were you
12 serious about that?

13 MR. PHIL COMER: Oh, no. No. No. I
14 don't mean that because they have already eliminated
15 that. I was using that as a for instance. Trash
16 pickup has already been eliminated.

17 FACILITATOR DAVE WAHUS: Take that
18 off.

19 MR. PHIL COMER: Yeah, get rid of
20 that.

21 FACILITATOR DAVE WAHUS: Anything
22 else?
23 MR. PHIL COMER: Every month somebody
24 asks for it.
25 FACILITATOR DAVE WAHUS: Is there 488
1 anything else?
2 MS. JACKIE SHELTON: It's Julie. May
3 I just pose this to the group?
4 Less emphasis on TVA being all things
5 to all people, what does that have to do with
6 recreation?
7 MS. MILES MENNELL: Well, it has a lot
8 to do with recreation in terms of weed management or
9 vector control because those are all things that
10 apply to quality of recreation.
11 MS. JACKIE SHELTON: Well, the quality
12 of recreation, do you think it's necessary that we
13 need that, less emphasis on TVA being all things to
14 all people?
15 MR. BRUCE SHUPP: I don't.
16 MS. JACKIE SHELTON: I am just asking
17 this question.
18 FACILITATOR DAVE WAHUS: Good
19 question. I am looking for an answer.

20 MR. PHIL COMER: I agree with Jackie
21 because I don't think they are all things to all
22 people.

23 MS. MILES MENNELL: That's fine, take
24 it off. My point is simply that this is something I
25 think we need to talk about and recognize that there
1 are issues about things TVA has been responsible for⁴⁸⁹
2 which maybe they don't need to be responsible for
3 anymore. So whether we leave it there or not, I
4 don't care, as long as we talk about.

5 MS. JACKIE SHELTON: I don't disagree,
6 Miles, at all. I just don't think, in my opinion,
7 this is where it should be.

8 MS. MILES MENNELL: No, I am agreeing
9 with you, Julie.

10 MS. JACKIE SHELTON: Thank you,
11 Jackie.

12 MR. JIMMY BARNETT: I am really
13 confused.

14 MR. LEE BAKER: I am, too.

15 MR. BRUCE SHUPP: Take it off.

16 FACILITATOR DAVE WAHUS: Any others
17 that we should add? Before we close this, are there
18 any other comments?

19 Kate, do you have any questions on
20 anything we have clarified for you?

21 DR. KATE JACKSON: (Moves head from
22 side to side.)

23 FACILITATOR DAVE WAHUS: Seeing how
24 this list is really not very long, I suggest we not
25 prioritize it.

1 And with that, Mr. Chairman, I will
2 turn the meeting back to you, and I thank you for
3 your cooperation and I appreciate Julie and Jackie
4 being so tolerant with my misspeaking. Thank you.

5 Would you clear the screen, please?

6 MR. BRUCE SHUPP: I've just been given
7 some bad news that I have to pass on to you. Well, I
8 didn't understand it yesterday. I'm sorry.

9 DR. KATE JACKSON: Well, I
10 miscommunicated then.

11 MR. BRUCE SHUPP: We don't have a
12 quorum, Kate informs me, which means that -- which
13 means that while the hard work we did in the last two
14 days can stand, it has to stand to be approved by a
15 quorum at the next meeting. And anybody that comes
16 in after the next meeting that doesn't vote for this
17 will have some problem.

18 DR. KATE JACKSON: We just have to
19 come up with a mechanism to get it before the whole
20 Council. I mean, obviously we can legally do that
21 via mail. We never contemplated that.

22 MR. BARRY WALTON: Let me think about.

23 DR. KATE JACKSON: Barry will think
24 about that. The easiest way, of course, is just to
25 zip it in front of everybody at the next meeting.

1 MR. PHIL COMER: Well, will Stephen be ⁴⁹¹
2 here at the next meeting?

3 DR. KATE JACKSON: I don't know the
4 answer to that.

5 MR. PHIL COMER: You said that, Lee, I
6 didn't.

7 MR. LEE BAKER: I didn't say anything.
8 Put me next to him.

9 MR. BRUCE SHUPP: We have had more
10 absences at this meeting than probably any three of
11 our previous meetings combined.

12 MS. JULIE HARDIN: That's right.

13 MR. PHIL COMER: Did you-all pick a
14 next date yesterday?

15 DR. KATE JACKSON: No. No. And I am
16 assuming, you know, it will be in January, and given

17 there's so many folks that are not here, it would
18 behoove us to work on trying to find a date.

19 MR. BRUCE SHUPP: Good idea. We do
20 have one order of business left. We have a
21 presentation again by Ralph Jordan who is an
22 unknown --

23 DR. KATE JACKSON: No. Gene Gibson.

24 MR. BRUCE SHUPP: It says by Ralph.

25 DR. KATE JACKSON: Well, Ralph will
1 take care of it then. I'm sure Gene won't mind. 492

2 MR. BRUCE SHUPP: I was just wondering
3 why, you know, Ralph was hidden from view before
4 today and all of a sudden he's a superstar doing two
5 presentations.

6 FACILITATOR DAVE WAHUS: Mr. Chairman,
7 there's a lot of pie here left.

8 MR. BRUCE SHUPP: It just proves you
9 can have your meeting and eat your pie, too. So
10 there you go.

11 DR. KATE JACKSON: One of the things
12 we wanted to do was to come back and give you an
13 update on where we -- what we have done on the water
14 supply advice that you had provided us, and Gene is
15 here to do that.

16 MR. GENE GIBSON: Thank you, Kate, and
17 thank you, Mr. Chairman.

18 As you recall at the last meeting, you
19 know, you gave us a lot of good input. Switching
20 gears now back to water supply as opposed to
21 recreation, at the last council meeting you gave us a
22 bunch of good recommendations.

23 One of the action items that you
24 requested was that we come back and sort of tell you
25 what we're going to do with those recommendations or
1 give you a plan, but before I sort of get into that I ⁴⁹³
2 would like to thank the Council for helping raise the
3 awareness of the importance of water supply from an
4 overall TVA system standpoint. I think we're
5 beginning to get some traction in the water supply
6 area that hasn't been evident in the past, and I
7 think there is an opportunity for TVA to be more
8 proactive when it comes to water supply.

9 I think yesterday you noticed when the
10 Chairman, in his brief remarks he made to you, he
11 mentioned the impact of water wars and things moving
12 from the west to this way in the southeast and the
13 importance of that and the role that TVA potentially
14 could play, and then at the same time, you know, the

15 curves yesterday that talked about the overall
16 population in the country in the next 100 years or
17 whatever doubling. And if you will recall from the
18 last meeting, we talked about there's much more rapid
19 growth in the southeast and west and midwest and
20 northeast. So I think from a water supply standpoint
21 it's very important.

22 So before I sort of get started, I
23 sort of wanted to pass out this -- just something --
24 I don't know if you have seen this in Inside TVA. We
25 do have a feature article that was in there on water
1 quantity management, ensuring that we have enough 494
2 water for everyone.

3 And then there's also something else
4 from the states, the Council of State Governments, we
5 want to sort of pass this out. It's talking about a
6 trend alert that just recently came out to the
7 various states and talks about water wars, and I
8 think this is a very good primer for the folks on the
9 Council that may want to take a look at this and read
10 it for leisure that sort of talks about what's
11 happening with water supply, particularly from the
12 state's point of view.

13 So with that, based on the input that

14 we received last time, we sat down and sort of
15 discussed what should be TVA's plan of action, and
16 the first thing that we thought we should do was
17 complete the actual water supply inventory needs
18 analysis that's being done in support of the ROS,
19 that was the first step we wanted to do.

20 Then we said that we would develop a
21 standard briefing presentation to go before the
22 various states. As you will recall, the -- you
23 recommended that we establish -- try to establish a
24 partnership with the various states and the EPA.

25 Our idea was to complete the water 495
1 supply analysis and then use that as an entree into
2 the various states to be able to share the
3 information with them, and then at the same time,
4 sort of say, all right, here's what's happening on an
5 overall watershed basis, is there an opportunity here
6 now for us to maybe partner or work together on --
7 from various Valley states' standpoint.

8 We're going to approach the potential
9 participants individually and seek their interests
10 and then obtain input on developing an agenda for an
11 initial meeting.

12 I might point out that since the last

13 meeting it appeared that the Alabama, Florida, and
14 Georgia Compact was going to work out, but just
15 recently that's gone south. I was -- just last week
16 I was in a meeting with the folks of Georgia and
17 Alabama and they are very upset with what's been
18 happening in Florida.

19 Governor Jeb Bush kind of renigged on
20 his agreement down in Apalachicola and came back with
21 something that was not satisfactory to the other two
22 states. The Compact -- that particular Compact has
23 expired now. So they are heading to court, those
24 three parties on that.

25 Also as a part of that, hopefully plan
1 and host a working level meeting at the working level ⁴⁹⁶
2 as opposed to the senior levels with these various
3 states and see if we can get some groundwork going
4 and then establish a consensus for moving forward and
5 basically determine the next steps from that.

6 As far as where we are, we have
7 actually completed a draft of the water supply
8 inventory needs analysis. I think the Council was
9 briefed on the overall status of the ROS. And as far
10 as the water supply analysis, I have got a draft
11 summary here to sort of pass out.

12 And Dave, if anyone has got any
13 comments on this, we will be happy to take that.
14 This is sort of what we're going to be going to the
15 states with and talking to the various states and
16 seeking their input before we actually finalize that.

17 We're actually seeking some just small
18 amount of funding, seed money into 2004 budget to
19 support the initial partnership meeting to fund us
20 going to the states and actually holding that first
21 meeting.

22 We have developed a draft presentation
23 that I had indicated earlier that we were going to
24 use to go from state to state presenting the results
25 of this and talking about the benefits of partnering.

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1 We have got a draft of that.

2 And at the same time last time you
3 said that you didn't see any reason that we couldn't
4 start work on getting some information up on the
5 website in terms of emphasizing the importance of
6 water supply and conservation, that sort of thing,
7 and we have done some work on getting that sort of
8 ready to go.

9 I have got another draft. Again, this
10 is a draft that looks like it's on the website, it's

11 not on the website. This is just inside -- it's kind
12 of a mock-up of what the website would sort of look
13 like. Again, this is a draft. It's still undergoing
14 internal review. We would be happy to accept any
15 comments that the Council might offer in terms of
16 input to the TVA website. So we have initiated work
17 on that.

18 There is -- this is already on the
19 website, the TVA kids' site. There was something on
20 the website about water supply, and that sort of
21 thing, but there was nothing that recognized water
22 supply as one of the benefits of the system.

23 So with that I will answer any
24 questions, but that's sort of where we're heading.

25 MR. BRUCE SHUPP: Did you really start
1 this after our recommendation or had you been working
2 on this? 498

3 MR. GENE GIBSON: No. Remember last
4 time we had actually started some work on that before
5 the actual ROS started, but this fed right into the
6 ROS as well. I think the previous Council's
7 recommendation came out that TVA should take a more
8 proactive approach in terms of looking at water
9 quantity issues and looking at working across those.

10 In order to do that, Kate had already
11 indicated, you know, that we need to be getting more
12 information on actually how much water is being
13 withdrawn from the system, how much is going back in.
14 So, yes, she already had me turning and burning on
15 that sort of before.

16 MR. BRUCE SHUPP: That was really
17 great stuff. Wonderful.

18 MR. GENE GIBSON: Thank you. Any
19 other questions? So you are ready for the
20 interstate.

21 DR. KATE JACKSON: Thank you, Gene.

22 MR. BRUCE SHUPP: Thanks, Gene. Good
23 job. Appreciate it. Good job.

24 All right. We're going to get a
25 survey from Kate to ask us when in January would be
1 the best time for us individually. 499

2 DR. KATE JACKSON: Probably from Sandy
3 because she actually does the work.

4 MR. BRUCE SHUPP: We know that. When
5 will you have an answer on the new Council, a third
6 generation of this Council?

7 DR. KATE JACKSON: I don't know.

8 MR. BRUCE SHUPP: Don't know, okay.

8 DR. KATE JACKSON: I can always say
9 no. You know I am good at that.

10 MR. PHIL COMER: In this two-year
11 period we were told that we would be told what
12 questions.

13 DR. KATE JACKSON: And you still may
14 be.

15 MR. PHIL COMER: Well, then, see,
16 that's why we haven't given any thought to what the
17 agenda would be because the very first meeting you
18 made it very clear we were not to generate
19 suggestions and ideas.

20 DR. KATE JACKSON: You burned through
21 these issues so fast. We left one extra meeting in
22 case you had to do any of these three topics in two
23 meetings.

24 MR. PHIL COMER: And the law requires
25 that there be four meetings, two per year. So we
1 have to have one more meeting. 501

2 DR. KATE JACKSON: The law doesn't
3 require that.

4 MR. PHIL COMER: Yeah, two per year.
5 Charles Halton, do you know Mr. Halton?

6 DR. KATE JACKSON: Not personally.

7 MR. PHIL COMER: You have to have two
8 meetings per year in a two-year period.

9 MR. BRUCE SHUPP: At any rate, we'll
10 wait to hear from you. If we can help, if anybody
11 has any ideas, send them to Kate and copy me.

12 MR. PHIL COMER: Gosh, I will be glad
13 to do that because there's all sorts of good ideas.
14 I just -- seriously, we have not been asked for
15 suggestions this two-year term until right now that I
16 am aware of.

17 MR. BRUCE SHUPP: Well, it's true that
18 TVA wanted to use some of their strategic questions
19 to come to us, but, you know, I think it's fair to us
20 to give them some ideas.

21 MR. PHIL COMER: I thought that at the
22 beginning of this two-year term, but this is the
23 first time this has been enunciated to us.

24 MR. GREER TIDWELL: Thank you for the
25 opportunity, Kate.

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1 MR. PHIL COMER: Yes, thank you very
2 much.

3 MS. JACKIE SHELTON: The Isaak Walton
4 Preservation or water cleanup, I thought that would
5 be something the Board would be very interested in.

6 Could we not schedule that in the very
7 near future?

8 MR. PHIL COMER: I didn't hear what
9 the subject was.

10 DR. KATE JACKSON: She suggested that
11 as a result of the suggestion about the Isaak Walton
12 League coming and talking to the Council about what
13 they do.

14 The thing Bruce and I had been
15 wrestling with previously was if you have NGO's,
16 other government agencies or private sector firms
17 coming to talk about what they do and how they
18 participate in some of the things that TVA also
19 participates in, how does that arm the Council with
20 information to provide us advice and does that really
21 push forward the mission of the Council? So we need
22 to wrestle with that a little bit. Obviously, that's
23 a potential opportunity.

24 And if some of you have ideas on sort
25 of how we could orchestrate that in a way that would
1 be meaningful to all of us, I would love to hear 503
2 that.

3 MR. BRUCE SHUPP: Well, back in '98
4 when TVA lost the appropriation, prior to the

5 development of this Council, when there was a
6 coalition of groups that came to TVA asking for some
7 type of a review process, there were 31 -- I think 31
8 groups, as I recall, that were in that coalition.
9 That's a lot of groups if they all want to come in
10 and talk.

11 DR. KATE JACKSON: Well, most of those
12 were groups of groups, most of those were, you know.
13 For example, Stephen Smith, his coalition is a group
14 of groups, as are some of the others.

15 MR. BRUCE SHUPP: It's a great idea,
16 and I really want to hear it. I want to hear, you
17 know, what Isaak Walton is doing and what a couple of
18 the other groups are doing, but how do we make it
19 relevant to the issues, that's the question that
20 we're wrestling with.

21 FACILITATOR DAVE WAHUS: I would just
22 ask all of you to leave your name tags on the table
23 so that we will have them for the next time.

24 MR. BRUCE SHUPP: Drive safely. Happy
25 Thanksgiving. Merry Christmas. Happy Halloween.

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1 END OF MEETING

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3 STATE OF TENNESSEE :

4 COUNTY OF HAMILTON :

5 I, Kimberly J. Nixon, RPR, the officer
6 before whom the foregoing meeting was taken, do
7 hereby certify that the transcription of the
8 proceedings that appears in the foregoing transcript
9 was taken by me in machine shorthand and thereafter
10 reduced to typewriting; that the said transcript is a
11 true record of the proceedings;

12 In witness whereof, I have hereunto
13 set my hand this _____ day of _____, 2003.

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KIMBERLY J. NIXON, RPR
Notary Public in and for the
State of Tennessee at Large.
My commission expires April 24,
2004.